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# ***Daily Report***

## **Central Eurasia**

FBIS-SOV-96-131  
Monday  
8 July 1996

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# Daily Report

## Central Eurasia

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**Russia: Zyuganov Gives Post-Election Message to Compatriots, Supporters**

MM050720C296 Moscow PRAVDA in Russian  
6 Jul 96 p 1

[Undated G.A. Zyuganov message headlined "Dear Compatriots"]

[FBIS Translated Text] The presidential elections have taken place.

We respect the will of the citizens of the Russian Federation. Although, like all Russians, we realize that the success of the current ruling forces was achieved at a cost which is not only expensive but ruinous for the country, as a result of gross violations of election legislation and the unprecedented mobilization of state resources and opportunities for B.N. Yeltsin's personal election campaign.

At the same time it is impossible to disregard the fact that the people's patriotic bloc, which received more than 40 percent of voters' votes in these elections, confirmed its great social significance. In a three-year period — an infinitely short space of time by historical criteria — we have traveled a path from persecuted and virtually semi-legal organizations to a Russia-wide political movement which holds weighty positions in the State Duma and can participate in presidential elections on an equal footing with the "party of power."

My special gratitude goes to my allies in the people's patriotic forces, my party comrades, and to the hundreds of thousands of selfless activists who carried the Truth to people, tirelessly explaining our position to them, in conditions of unprecedented media intimidation and scaremongering.

I wholeheartedly thank the voters who cast their votes for me. And I assure you that we will continue to firmly uphold the ideals of peace, nationwide concord, and the moral and spiritual rebirth of Russia.

We look with optimism to the post-election situation which has developed and the prospects for the development of a people's patriotic coalition. These elections graphically confirmed that with every new step we are strengthening our positions.

Staunchness, cohesion, and organization — these are our main slogans today.

We have many important things ahead of us. The elections to local organs of power are approaching. There will be a need for intensive work aimed at ensuring that the authorities, in a state of post-election euphoria, do not leave people without bread, fuel, and wages. It is necessary to repulse the avalanche of crime and illegality sweeping the country.

The election results graphically showed that the people's patriotic forces today are the unconditional spiritual leader of Russian society. We are convinced that the further development of events will strengthen these positions of ours even further.

We will always be with Russians and the people of Russia in all the things and trials which befall them.

[Signed] Gennadiy Andreyevich Zyuganov

**Russia: Zyuganov Scorns Yeltsin Election Promises**

LD0607164596 Moscow Russian Television Network  
in Russian 0615 GMT 6 Jul 96

[Interview with Gennadiy Zyuganov, leader of the Communist Party of the Russian Federation, by political observer Yelena OZRINA, place and date not given; from the "Group Rostrum" feature in the "Parliamentary Week" program — recorded]

[FBIS Translated Text] Today's "Group Rostrum" is placed at the disposal of the group of deputies belonging to the Communist Party of the Russian Federation [CPRF]. Here is Gennadiy Andreyevich Zyuganov, the leader of the group. Naturally, at this particular time, everybody is more interested in the CPRF's post-election position than in the group's activities. So, over to you.

[Zyuganov] I respect the choice made by the country's citizens. I have already issued an official statement. So, we are prepared to go on working normally, without upheavals, revolutionary turmoil, and mass protests. We will do our utmost to ensure that Russia recovers and that the promises that citizens have been given from both sides are definitely kept.

I hope that Mr. Yeltsin will keep every single one of the promises he made, especially as there is no real funding for any of them. Our State Duma and the group have issued a special resolution making it binding on the government to pay pensions, grants, and wages on time. I want to see how they are going to do this. After all, during the election campaign alone, wage arrears grew from 17 trillion rubles to 24 trillion. Many teachers are now going on vacation without a single kopeck in their pocket.

[OZRINA] Even though it has been decided that the Central Bank should release 5 trillion rubles for the payment of wages and grants to teachers and students going down for the vacation.

[Zyuganov] You know perfectly well that this money does not exist and has not reached its destination. We come across this fact every day.

[Ozrina] Why? Finance Minister Vladimir Panskov recently delivered a report in which he gave specific examples of how and when the money had been remitted for this purpose.

[Zyuganov] I suggest that you ask the teachers this question. Visit any district or region and ask about this in detail. You will see that the arrears are very serious.

[Ozrina] A new grouping is now being established that will be called Parliamentary Accord. Can this new grouping of deputies, Parliamentary Accord, which is being set up, influence your decisions in any way?

[Zyuganov] Let them set up the new association first. I know there is some petty, dirty intrigue going on around the attempt to remove Duma Speaker Gennadiy Seleznev. This is solely motivated by personal ambition and aspiration. I believe that the Duma should work normally, that legislators should reflect on ways of halting the collapse of the economy, of preventing economic collapse, should consider what urgent steps need to be taken to halt the wave of crime that has swept the entire country, and what measures are needed to ease the position of people and maintain municipal services as winter approaches. This is what they should be doing rather than indulging in this under-the-carpet intrigue that we have recently witnessed inside the Kremlin and that they are now trying to transfer to the Duma. Too many promises have been made. They must now be kept.

Normal work will be impossible unless the Duma is able to endorse the prime minister in accordance with the program that is submitted. Are they serious when they say that they do not want to divide the country into reds and whites and do not want to settle scores with history again? After all, we have witnessed all this sort of thing for almost a month, with displays of open hysteresis and attempts to turn one major social group against another. If they are not, it will be impossible to move forward. We are supporters of normal, peaceful development of events and businesslike relations, and not settling of scores. I think that if the people who are launching this intrigue in the Duma, if they try to bring it over here, first, they will not receive any support and second, such behavior does not bode well for them personally either.

[Ozrina] Is it really possible to establish a government of people's trust without taking account of the political convictions of those professionals who are supposed to work in this government? What is your position on the government of people's trust?

[Zyuganov] I put forward the idea of such a government long ago, a year ago. I suggested that the main criteria

for its formation should be professionalism and honesty. I even named people who could be considered for inclusion in this team. During the election campaign, I proposed the principles of national accord and procedures for forming the government. I proposed that we, the popular-patriotic forces, should supply one-third of this government. Another third should come from the existing government and another third from those groups that are represented in the State Duma, which have won the confidence of the electorate, but who do not belong to our bloc. I think that these are very worthy proposals. At first they rejected these proposals. Now they are starting to give them greater thought.

[Ozrina] After you named possible members of this government of people's trust, there was a lot of disagreement about who would join it and how. Some of the people whom you named in person refused to comment on the grounds that you had not consulted them beforehand. This applies in particular to Moscow Mayor Yuriy Luzhkov and Bashkortostan President Murtaza Rakhimov.

[Zyuganov] There was Eduard Rossel, governor of Sverdlovsk Region, too. He joined in the outcry even though he had not been offered anything and had not been named. Neither had these two gentlemen, Luzhkov and Rakhimov, were offered anything. We simply suggested that businesslike people, who have substantial support, one in Moscow, the other in one of the republics — if they were proposed, we would examine the possibility. That was our thinking.

As for the process of forming the government, we ought to invite influential political forces and the three branches of power to sit down around a common table and take a serious look at the composition of the government. If they have been invited, the idea should not be rejected out of hand like that, without consultation. Wait and see, they will all return to this idea.

[Ozrina] It is being suggested that you will meet President Boris Yeltsin shortly. Will you meet him and what do you expect from this meeting? What would you like to hear from him and what would you like to say?

[Zyuganov] First and foremost, I would like to hear what policies his team is proposing. The promises that they gave during the campaign cannot be kept, in our view. There is no funding, either in the reserves or in the budget, for them. No money will come from abroad either. On the other hand, I would like to hear what policies they will be implementing. After that, I will decide on my attitude to all the rest.



[Ozrina] You said that you were supported by 30 million people. But the program that was put forward by the current president was supported by even more. Since you are saying that this means collapse, this is bad, why did so many people believe what he said?

[Zyuganov] Very soon you will see...

[Ozrina, interrupting] He was also believed by people who are having a fairly hard time of it, in the North, in the Far East, where the economic situation and the problem of nonpayments are just as acute as in the regions where you were supported.

[Zyuganov] You have put your finger on it. The northern regions that supply raw materials, where the ports are located, and where crime is concentrated. That is absolutely right. NEZAVISIMAYA GAZETA published a splendid analysis of the qualitative composition of voters who voted for the respective candidates. I respect their positions, I repeat. But many believed the promises. Some of them hope to extricate themselves. The northern regions are completely dependent on the center, and they know this. Will they be given what they need or not? If they are not given it, they will freeze and nothing will be achieved.

But that is not the point. That is not what we should be discussing now. Basically the country has been divided into two camps. Whether we like it or not, a two-party system has emerged.

**Russia: Zyuganov: Yeltsin Supporters Will Gradually Join Opposition**

LD0607173396 Moscow NTV in Russian  
1500 GMT 6 Jul 96

[Video report by unidentified correspondent; from the "Segodnya" newscast]

[FBIS Translated Excerpt] [Correspondent] Political figures, representatives of the creative intelligentsia who wished to see Gennadiy Zyuganov head of state, met in the Duma today to consider the results of the second round of the elections and to decide what to do next.

After the main reports by Valentin Kuptsov, head of Zyuganov's electoral headquarters, and Viktor Zorkaltsev, chairman of the Duma Committee for Social Associations and Religious Organizations, the participants in the major council of the popular-patriotic forces analyzed the presidential campaign for over three hours behind closed doors. They disclosed the results of the discussion in a very restrained manner.

[Begin Duma Deputy Nikolay Ryzhkov recording] There were no outbursts here. Simply, people, those who spoke, those living in Moscow, and those who

have come from other regions of Russia, spoke of the shortcomings of the campaign. The main stress was laid on the fact that — and evidently it was practically impossible to do that — we failed to create very clear, organizational vertical links in that time. [end recording]

[Correspondent] Gennadiy Zyuganov's supporters consider their defeat in the information field to be one of the main mistakes of the presidential race, judging from what was said in the corridors by those taking part in the expanded council. In any event, the behavior of the press and the television was the main theme of all of the interviews given today by Viktor Anpilov, leader of Working Russia, who accused journalists of lack of objectivity toward the communists and of being unable to choose the right propaganda image. [passage omitted]

The decision to transform the left-wing opposition coalition into a nationwide movement with a charter program and registration at the Justice Ministry was the main official result of today's meeting in the Duma. A special organizational committee headed by Nikolay Ryzhkov is to draw up all main the documents. [passage omitted]

Gennadiy Zyuganov, the chairman of the Communist Party of the Russian Federation, made it clear that he believed in the constancy of his allies.

[Begin recording] [First unidentified correspondent, off screen to Zyuganov] Aren't you afraid you will not be leader of the bloc?

[Zyuganov] No! Not at all!

[Second unidentified correspondent, off screen] How may the bloc expand?

[Zyuganov] You will see that people will join us, especially those who believed the promises made today and who see over the next two months that not a single promise has been fulfilled. You will see that for yourselves!

[Correspondent] Are you ready to join the government if a proposal is made?

[Zyuganov] I repeat: What it as issue is the political course. I have not yet heard anything. There is talk going on. Let us work! Who objects to that? I work 17 hours a day every day! Alright.

[Correspondent] Gennadiy Zyuganov said that the Duma's attitude to Viktor Chernomyrdin as the most likely head of the new government was not discussed today, but this question will be decided at the constituent congress of the popular-patriotic bloc that will be held most likely on 7 August, that is practically



on the eve of the inauguration of Boris Yeltsin. The left-wing will then form a shadow cabinet of ministers and determine to what extent they can take part in executive power. Judging from the mood of those who took part in today's event it seems the new legal structure will prefer to remain in opposition.

**Russia: Zyuganov Says Communists Main Guarantor Against Dictatorship**

MM0507182496 Moscow KOMSOMOLSKAYA PRAVDA in Russian 6 Jul 96 p 2

[Interview with Gennadiy Zyuganov by Vasilii Ustyuzhanin under the "Yesterday's Hero" rubric; place and date not given: "For the First Time in His Life Zyuganov Was a Billionaire"]

[FBIS Translated Text] [Ustyuzhanin] Gennadiy Andreyevich, you did not talk to journalists on the night of 3-4 July. Were you in a bad mood?

[Zyuganov] I was at the Duma the whole time. I made no promises to meet with journalists that night. So I am innocent before your colleagues.

[Ustyuzhanin] When, at what moment, did you realize you were going to lose?

[Zyuganov] I still can't accept the argument that we lost. Forty percent of Russians expressed moral support for us. They continue to put their trust in us.

[Ustyuzhanin] Sergey Filatov has expressed the hope that the Communists will nonetheless take the legal path in their actions. Do you agree?

[Zyuganov] It makes me laugh. The Communists are the most zealous guardians of the law. The authorities, on the other hand, have scorned every conceivable legal norm. Equal rights were not observed in the election campaign. So it is hard for me to recognize these elections as fair and truly democratic. And I myself would call on the authorities to return to the constitutional fold and play by the rules in future.

[Ustyuzhanin] Do you rule out the possibility of the president taking the step of disbanding the Communist Party?

[Zyuganov] He would have to have weighty legal grounds to do so. There are no such grounds. Nor can there be. I want the voters, whether they voted for us or against us, to understand that the Communist Party today is the main guarantor against the onset of dictatorship.

[Ustyuzhanin] Do you think dictatorship is at our gates?

[Zyuganov] It is possible, if people start pushing the president toward extreme steps.

[Ustyuzhanin] And are you yourself not prepared to compromise, for instance, to change the party's name?

[Zyuganov] You don't change the name of your newspaper. I don't think it frightens off your readers. In any case, the question of the party's name cannot be decided by one person. There is the party presidium, the plenum, the congress.

[Ustyuzhanin] What next?

[Zyuganov] There is the question of rallying our forces and strengthening our ranks. Some 5,500 people have been joining us every month recently.

[Ustyuzhanin] That's quite a lot. But can you seriously strengthen the party if you have no serious financial base? After all, I think one reason the Communists lost was because they are poor. And in free market conditions money provides political strength.

[Zyuganov] I wouldn't say we are poor in the sense you mean. Eleven billion rubles were collected for my election fund. For the first time in my life I was a "billionaire." Banks and influential commercial organizations helped too.

**Russia: Zyuganov Post-Election Press Session Viewed**

MM0507191896 Moscow PRAVDA in Russian 6 Jul 96 p 1

[Report by Valentina Nikiforova on press conference with Gennadiy Zyuganov by unidentified correspondents in Moscow on 4 July: "We Respect the Will of Russia's Citizens"]

[FBIS Translated Text] There are many assessments of the presidential election results: from the friendly to the frankly gloating.... I will cite only one, which I think is the one we need most of all now. It comes from a CPRF [Communist Party of the Russian Federation] member: "I assess the election results as a huge tragedy the scale of which we have not yet fully grasped. It is a tragedy for the country, a tragedy for the people, who have surrendered one of their last frontiers, their Stalingrad, and gotten Pepsis in exchange. In philosophical terms this is a victory for greed over man's spiritual elements. In political terms it is a major failure of strategy for the left-wing bloc, which failed to compare its own resources with those opposing it, to place the emphasis correctly in ideological and tactical plans, and to ensure skilled, impartial analytical work. Of course, there should be no room for despondency or confusion. But it is our duty to draw the necessary conclusions. The situation in the country is developing in such a way that the coming to power of left-wing forces, followed

by a change in the direction of society's development, is perfectly realistic. The fact that it has not happened now will almost inevitably lead to a long line of serious negative consequences for everyone, including those who 'triumphed.'"

It was against the background of this harsh assessment that presidential candidate Gennadiy Andreyevich Zyuganov held his first press conference after the elections. He had things to say. Despite the malicious articles that preceded the elections, he treated the journalists as colleagues and equals. He was applauded.

[Zyuganov] A two-party system is taking shape in the country. One side of it consists of the bloc of people's patriotic forces, based on state ideology, the ideals of justice, the strengthening of the Russian State, and the observance of strict legality. The second wing consists of the "party of power." The "third force" that there was so much talk about did not come to pass. It flirted with the opposition, but when it came to resolutely adopting opposition standpoints, all of them — from Zhirinovskiy to Yavlinskiy — basically merged with the "party of power" and should bear the responsibility for everything that happens in the country....

[Correspondent] Chernomyrdin has said he does not rule out the possibility that you could join the government and be in charge of, say, the file of social questions. What is your attitude to that offer?

[Zyuganov] We have received no official offers. If we do, we will examine them when we see what the nature of the government's course is, whether it accords with the interests of Russia's people, and whether it is feasible. Only after that will we give our answer.

[Correspondent] Some people are saying that you personally have been offered the post of Minister of Labor.

[Zyuganov] I labor from morning till night, but I find it hard to understand what kind of job that is — Minister of Labor. There is no point in taking jobs in which there is no possibility of rectifying the situation and helping people and the country — as you know perfectly well.

[Correspondent] Has such an offer not been made?

[Zyuganov] No.

[Correspondent] In recent weeks you have been portrayed as a man "who shoots to kill." You called that terrorism. Yet you sent one of the people who unleashed that terrorism against you a telegram of congratulations on his success in the presidential elections.

[Zyuganov] There are realities that no politician is entitled to ignore. The present reality is that millions of citizens — never mind whether they did it consciously or not, whether their choice was imposed on them or

not — have voted for him. I am obliged to respect the citizens' right, their choice. I am obliged to respect the rules that exist in a civilized society.

[Correspondent] Do you admit your bloc's defeat, and do you intend to protest the election results?

[Zyuganov] There can be no question of the bloc's defeat! I have stated more than once that in a ravaged country there can be no winners. And you will see people's mood in the coming weeks and months. It is unfair even to talk about defeat because given the conditions we were operating in, we achieved good results. The bloc of people's patriotic forces is growing stronger. Whereas in the 1993 elections we received the support of 7 million voters, in December 1995 15 million voted for us, in the first round of the presidential elections we received 24 million votes, and in the second round nearly 30 million, and in the major economic regions at that! Do you call that defeat?! And that is in conditions where the "party of power" had everything: resources, the press, pressure. Just look at the elections in Dagestan! In the first round we had 60 percent of the votes there, and in the second we had 20 percent fewer. I know the honest, industrious people of that republic and I see that people could not have changed their views and attitudes in two weeks without the influence of external forces.

[Correspondent] Reports have appeared recently in the American press that certain foreign experts took part in the election campaign of the incumbent president of Russia. Does that worry you?

[Zyuganov] I don't want to comment on that. But, with such massive pressure on the voters and such resources, if Generalissimo Stalin had taken part in the elections he would not have lost.

[Correspondent] Some of your opposition urged a boycott of the elections. Do you support supporters of yours who resort to street measures?

[Zyuganov] I am against street measures. But I do not rule out spontaneous outbursts, including mass outbursts. The authorities have handed out promises which they will not be in a position to meet in terms of wages, pensions, or grants.

[Correspondent] You have lost the elections but won status in the opposition. Might you now create something like a modern social democratic party?

[Correspondent] We were already a responsible opposition. We said outright that we do not agree with this course and proposed our own package of laws, our own

program for reviving the country, and proposed a mechanism for forming a government of national trust. It is not a question at this time of creating as new party....

[Correspondent] It is being said that your defeat marks the beginning of the end of the communist movement....

[Zyuganov] Do you regard the support of 30 million people as a defeat? I don't. If this support is regarded as to the credit of a single party, the CPRF, it is possible to be proud of such a party. So next time we will get 50 million votes — and you will witness it!

[Correspondent] Do you accept that your bloc made some mistakes. Maybe there were some things you could have done differently?

[Zyuganov] Everybody makes mistakes. My colleagues and I will analyze the entire election campaign and discuss our problems with our allies. I have already received confirmation today from all the bloc participants and all the members of the campaign staff of the need to strengthen and structure the bloc. This will be a big political force with its own statute, its own program, and its own strategy.

[Correspondent] Will that mean a confederation or federation of organizations or will the CPRF swallow them all up?

[Zyuganov] How can a 600,000-strong organization swallow up 30 million citizens? It will be a broad nationwide association, it will be broader than any party. As for the strategy of the party and the faction in the State Duma, we will discuss that Monday at an enlarged session of the CPRF Central Committee Presidium and a plenum at which we will determine tactics for the next six months. Two principles — the law and justice — will form the basis of our activity. [Zyuganov ends]

There were also questions about attitudes to the government, the premier, and the Security Council secretary, of course. And the answers were appropriate: We will look and then we will decide. But this did not cause disappointment. At the news conference following difficult elections the candidate for the presidency acquired a new enhanced status as a national leader who is ready to stand up for the voters and of whom people expect not eye-catching statements but reliability and confidence. And this is what Russians now need most of all.

#### **Russia: Official Election Results To Be Announced 9 Jul**

LD0807090096 Moscow INTERFAX in English  
0756 GMT 8 Jul 96

[FBIS Transcribed Text] MOSCOW, July 8 (Interfax) — The Russian Central Electoral Commission will an-

nounce the final results of the runoff presidential elections at its meeting scheduled for 1630 Tuesday, Commission Secretary Aleksandr Veshnyakov told Interfax Monday.

Reports on the results of the July 3 runoff elections have been received from all the 89 Russian republics and regions and the 397 polling stations outside the country, he said.

The inauguration of President Boris Yeltsin will take place on August 9.

#### **Russia: Regional Voting Results, Turnout Viewed**

MA0507170396 Moscow ROSSIYSKIYE VESTI  
in Russian 5 Jul 96 p 2

[Feature comprising regional reports on election activity: "It Was Their Final, Losing Battle"]

[FBIS Translated Text]

#### **President's Home Loyal to Its Soul [report by Vladimir Stakheyev]**

Yekaterinburg — In recent years there have been many moments when something very important to Russia's future has been decided. On each occasion the president's home city — Yekaterinburg — has played a leading role. The night of 3-4 July was just such a moment, and I was very much in tune with what the people of my city were feeling.

To be honest, there never was any doubt: The president's home fully recognized its role in the building of democracy a long time ago. And, very important, did not retreat a single step from the stance it had adopted. So it was in the anxious days of August 1991, when the "reserve government" was in Yekaterinburg. So it was on the day of the referendum on confidence in Boris Yeltsin. Throughout these years the Urals' stance has remained the same.

I believe it was not just a sense of a homeland within a homeland that prompted the president to go to the Urals to announce his decision to run for a second term. With his splendid knowledge and understanding of the people of the Urals and using his experience and instinct as a major politician, he again put his main stake on this powerful region, together with Moscow and St. Petersburg.

The results of the vote in the Urals, only preliminary at the moment, of course, are as follows: Some 65 percent of the total number of voters participated. Some 77 percent voted for Yeltsin and 17 percent for Zyuganov. No comment is called for.



**Cradle of the Revolution Becomes Cradle of Democracy [report by Yuriy Kukanov]**

St. Petersburg — In the past six weeks the inhabitants of the city on the Neva have been summoned to the polling places on four occasions. Despite that, the turnout in the second round of the presidential election was 2-2.5 percent higher than in the first.

According to preliminary information supplied by the city electoral commission, 4.6 percent — four times as many as in the first round — of the 3,695,014 registered voters voted against both candidates. Incidentally, this is what the overweening St. Petersburg "Yabloko" people were busy urging everyone to do. CPRF [Communist Party of the Russian Federation] leader G. Zyuganov got 6 percent more votes than in the first round on the banks of the Neva. The current president gained a convincing victory in the northern capital, the number of his supporters increasing by 900,000. Boris Yeltsin polled 74 percent compared with 49.5 percent in the first round.

**Struggling Miners Not Caught [report by Tatyana Borisovich]**

Komi Republic — The Komi Republic has confirmed its original choice. Boris Yeltsin won the second round too. He received more than 64 percent of the vote. Some 28 percent of northerners voted for Zyuganov.

The Communists' supporters were expecting Vorkuta to help them out. There have been constant stoppages and hunger strikes here of late. Women have joined their husbands striking over pay arrears. Their hunger strike lasted for several days. They were demanding money for their children to leave the Arctic for a vacation. The amount of money transferred by Moscow and Syktyvkar was clearly inadequate....

So tension was high in Vorkuta when 3 July arrived. But the Communists' hopes were dashed. In the severe conditions of the Arctic people learned long ago how to separate the wheat from the chaff. Vorkuta voted for Yeltsin and reforms. Some 74.4 percent voted for the current president. That is the highest figure in the Komi Republic. To be frank, this victory was not expected even by those who were confident that the miners were prepared once again to renew their confidence in Boris Yeltsin. More than 72 percent of the miners in Inta also voted for Boris Yeltsin.

The Communists will not let people forget about their sophisticated politicking and indoctrination. For instance, sales and in some cases handouts of old clothes were organized at several polling places in Syktyvkar. See what depths life has plumbed, they were saying. But few people swallowed this.

**The Don Leaves the "Red Belt" [Report by Gennadiy Belotserkovskiy]**

Rostov-na-Donu — The first round of the presidential election on the Don was won by Zyuganov — 34.99 percent. Yeltsin got 29.08 percent. Although Lebed performed unexpectedly strongly — 20 percent. After the emergence of the Yeltsin-Lebed alliance it was clear that the Don had an opportunity to leave the "Red belt" in the second round. Which is what happened. Yeltsin got 51.67 percent of the vote, beating his rival by 8.56 percent. Large cities such as Volgograd, Novocherkassk, Shakhty, and Taganrog "switched" to Yeltsin. Rostov itself merely reiterated its Yeltsin sympathies.

But the picture in the countryside changed little. The actual Don "Red belt," having lost the cities, brought together the oblast's northern and eastern rayons farthest from the center and with the fewest facilities.

Foreign observers noted a "free and democratic election" on the Don. Mrs. Ljuba Trautmann from Hamburg was surprised at the political tolerance and lack of emotional outbursts, despite the obvious political split in society. It was noted that the electoral commissions were highly professional.

**The Far East Is Not Yours Any More, Comrade Communists! [report by Valeriy Golovin]**

Khabarovsk — Boris Yeltsin's undoubted victory in the second round of the presidential election in most regions of the Far East plainly demonstrated that in the country's remote eastern area, which the Communists had always regarded as "distant, but ours," socialist ideology appears finally to have become a thing of the past. According to preliminary figures, 58.98 percent of the voters in Khabarovsk Kray backed the current head of state on 3 July. In absolute terms this means that whereas in the first round Boris Yeltsin won 288,000 votes, in the second round the figure was 430,900.

Local observers agree that this outcome was influenced to a large extent by those who voted for A. Lebed and G. Yavlinskiy on 16 June. As for the other Russian presidential contender, his position is much more modest. Last Wednesday Gennadiy Zyuganov was supported only by around 34 percent of the electorate. Whereas in the first round, out of the 24 rayons of Khabarovsk Kray, there was a clear vote in favor of the CPRF leader in Amurskiy, Bikinskiy, Vyazemskiy, and Nikolayevskiy, now only Amurskiy can be regarded as "Red." Although this is due more to the complex socioeconomic situation there than to a predilection for that party's policy.

At the same time, CPRF activists in Khabarovsk still tried to influence the results of the vote. Your



ROSSIYSKIYE VESTI correspondent was told at the kray electoral commission that Vladimir Prokopenko, member of a precinct commission and representative of the CPRF, having been given the job of ensuring that people who could not get to the polling place themselves were able to vote, would go to apartments without the ballot box and put the ballot papers in his own folder. This prompted an emergency session of the precinct electoral commission at which Prokopenko was expelled. Papers on a breach of electoral legislation were passed to the prosecutor's office.

In all, 66.2 percent of the Khabarovsk Kray electorate voted in the second round of the presidential election, practically as many as voted in the first round. And although the kray, like the rest of the Far East, is experiencing serious economic problems, most of the inhabitants clearly and unequivocally let it be known that they advocate the continuation of the course proposed by the country's current president, Boris Yeltsin.

#### **Russia: Karachayevo-Cherkessia Voting Figures Corrected**

MM0507155396 Moscow ROSSIYSKAYA GAZETA in Russian 6 Jul 96 p 2

[Unattributed report: "Essential Clarification: Yeltsin Won in Karachayevo-Cherkessia After All"]

[FBIS Translated Text] In ROSSIYSKAYA GAZETA's 5 July issue, an inaccuracy occurred in the publication of the preliminary results of voting in the Russian Federation components. The figures for Karachayevo-Cherkessia in the second round of voting (on the basis of information received from the Central Electoral Commission) are as follows: Yeltsin — 50.98 percent, Zyuganov — 45.14 percent, against everyone — 02.50 percent.

#### **Russia: OSCE Says 'Irregularities' Assisted Yeltsin Reelection**

AU0507144396 Paris AFP in English 1428 GMT 5 Jul 96

[FBIS Transcribed Text] Moscow, July 5 (AFP) — Western observers monitoring Russia's decisive run-off presidential election gave the poll a rubber-stamp of approval Friday but noted a string of irregularities which helped the incumbent Boris Yeltsin get re-elected.

Observers of the Organisation for Security and Cooperation in Europe (OSCE) said Wednesday's vote reflected the wishes of the Russian people, but singled out media bias and dubious funding methods as major concerns in the democratic process.

"The OSCE... believes that the imbalance of media coverage and of resources available to candidates and the role of some parts of the presidential administration during the campaign marred an otherwise effective and efficient electoral process," the organisation said in a statement.

Yeltsin's challenger in Wednesday's second round, Communist leader Gennadiy Zyuganov, has denounced an overwhelming media bias in favour of the outgoing president, and has also hit out at the incumbent's use of public funds to "buy" votes.

#### **Russia: Politicians, Experts Cited on Yeltsin Victory**

MM0507163896 Moscow ROSSIYSKAYA GAZETA (DOM I OTECHESTVO Supplement) in Russian 6-12 Jul 96 p 11

[Report by Aleksandr Batygin: "The Longest Night Was Wednesday Night: Russia Has Gained in Confidence in the President"]

[FBIS Translated Text] The pioneer Semen Dezhnev, about whom a movie was shown on television on election day, spent many months in exhausting expeditions in search of new land for the Fatherland. Modern technological miracles help us to cover vast distances in a matter of moments. And so, on the map of Russia presented on the television monitors at the press center of the presidential [campaign] staff, the regions where the votes cast for the contenders for the Kremlin chair have already been counted change color before our very eyes. A dark color floods Chukotka, Maritime Kray, Siberia, the Kola Peninsula.... That means that in these krays and oblasts the voters have voted for Boris Yeltsin.

Today, now that the result of the exhausting election marathon is known, we keep going back to that long night at the ITAR-TASS agency, where the All-Russia Movement for Public Support for Boris Nikolayevich Yeltsin had its headquarters. It was on that night that our country gained in confidence in the incumbent president.

What were the politicians, experts, analysts, sociologists, and cultural figures who had gathered in the press center at that time talking and arguing about, what assessments and predictions were they making? Here is just a small part of what was heard.

Sergey Filatov, leader of the All-Russia Movement for Public Support for Yeltsin:

"From 4 July we have begun to live in a renewed society. Passing through this purgatory is an education both for the authorities and for society as a whole. The Communist Party must get rid of the diehard section that threatens society with civil war, and in future the

CPRF [Communist Party of the Russian Federation] could become a civilized political force."

Andranik Migranyan, member of the Presidential Council:

"I count myself among those political scientists who are skeptical about sociology. I did not predict a big gap in results in either the first or the second round [sentence as published]."

Georgiy Kapralov, screenwriter:

"The terrible danger of a return to totalitarianism has receded from our country. All of us, with the exception of the young generation just entering life, remember how you had to look over your shoulder at every step and how every word was monitored. We have been breathing the air of freedom for only a few years, and this is the most precious thing we have gained so far. I hope we will never lose it now."

Mark Urnov, political scientist:

"The situation that had developed in our country prior to January of this year was, in my view, abnormal. Russia had a left-wing press, a liberal, opposition press, but there was no mass media institution talking with the authorities under the slogan 'We are together.' There has now been a gigantic shift in the direction of the formation of a normal democratic press where criticism of the authorities are combined with concern for stability in society."

Sergey Belyayev, leader of the "Russia Is Our Home" faction in the State Duma:

"Every member of our faction has his own opinion, but that does not stop us pulling together on questions of principle. That does not apply to the other factions. As for Zyuganov's idea on creating a coalition government, I will say this: We are not prepared to appoint a government according to political color."

Vyacheslav Nikonov, political scientist:

"Boris Yeltsin's victory in the presidential elections in Russia could bring considerably closer the signing of a treaty on friendship and cooperation between Russia and Ukraine. The difficulties in relations between the two states were to a large extent fostered by the circumstances of the political struggle in Russia. The prerequisites have now been created for signing a hard-won general political treaty between us."

Georgiy Satarov, aide to the Russian Federation president:

"We are living in interesting times...."

**Russia: 'Triumph of Democracy Fragile' Unless Economy Strengthened**

MM0507134096 Moscow FINANSOVYYE IZVESTIYA in Russian 5 Jul 96 p 1

[Article by Yevgeniy Vasilchuk: "Triumph of Democracy Fragile Without Progress in Economy"]

[FBIS Translated Text] The preliminary results of the elections for Russian president proved to be what they should have been. Boris Yeltsin won. After the official results are declared, Viktor Chernomyrdin's government will automatically resign. All the indications are that the president will task the old premier with forming a new government. In any event V. Chernomyrdin has already promised substantial personnel changes and a radical reorganization of the government apparatus' work.

Russia needs a new government and a new economic policy. For almost two years now the authorities have been talking about financial stabilization and the stable operation of the real economy.

But the facts, and even the official figures, say the opposite. The decline in production and investment is continuing at the same rate as previously. Agriculture is in ruins and exists solely thanks to being let off debts and receiving commodity transfers of fuel and lubricants and agricultural equipment.

High-technology sectors have virtually ceased to exist. The activity of the financial sector, including the banking system, arouses the suspicion if not the hatred of most of the population. The situation in the tax and budget sphere is shameful to talk about. As, incidentally, is the scale of the abuses big and small committed by high-ranking functionaries.

There is one other thing which must also be mentioned. The blatant degeneration of higher and secondary education and the country's scientific and technical potential permitted by the authorities is a real crime against the nation's future. The state has cast science and education to the mercy of fate. There is nobody to teach school-children, and the institute and university professors who remain have a plummeting number of students. Most young people want nothing to do with training: They have to work like a dog for a piece of bread and butter. The intellectual potential of what is as yet just one generation has been tossed into the trash can.

Boris Yeltsin's victory is not evidence of the success of reform or a vote of confidence in the president. Yeltsin's victory is a personal success for a politician and a recognition by Russians of his past services. Finally, Yeltsin's victory is confirmation of the common sense of the Russian people, who have torn themselves free of

a thousand-year yoke of violence and blood. And have not the slightest desire to risk the freedom they have won.

The victory of democracy has cost the Russian economy dear. As a result of the battle for wages and colossal overloading of the budget the population's real incomes rose 6 percent between April and June 1996. The orgy of election promises will continue for a few months yet. There is no other option — having voted against the Communists, the voters will not forgive a democratic president for not fulfilling his election promises. But that being the case, how will it be possible to restrain inflation, overcome the inexorable decline in production, and make ends meet in terms of the budget — no normal economists will currently risk a prediction.

Some thing toward which the most cautious attitude should be displayed is the rose-colored hopes of an inflow of foreign capital. First, Russia is already being given credits and having its debts rescheduled, but at the same time is being carefully driven out of the most promising world markets. Second, Western capital overtly and quite understandably prefers Russian natural resources, fantastically profitable financial operations, and virtually free access to scientific and experimental design potential.

And, third and saddest, the state of Russia's infrastructure does not make it possible to "absorb" a massive injection of foreign investment. And the simplest modernization of the infrastructure of the national economy would take at least five years.

Despite the promises to continue the reforms, it has to be noted that the government today lacks a professional understanding of the strategic and tactical tasks of economic regulation. Nor, strictly speaking, is there a desire to move beyond the guidelines and parameters which the IMF recommends to everyone without exception.

There can only be one criterion of the government's performance — achieved economic growth and a high level and growth rate of labor productivity. Russia has neither, and there are not even any signs of them. The political triumph of democracy must be buttressed by economic progress. Otherwise its victory could ultimately prove to be Pyrrhic.

#### **Russia: West European Reaction to Yeltsin Re-election Summarized**

BR0507155396

[FBIS Report] West European newspapers carry extensive comment on the outcome of the Russian presidential election, voicing relief at Yeltsin's reelection

while warning of the unresolved problems which still lie ahead.

#### **France**

In an article on page 3 in right-of-center LE FIGARO of 5 July Charles Lambroschini writes "this time Russia has done away with Communism, even though Yeltsin's victory is very ambiguous and General Lebed's idea of democracy is rather worrying. The West would be ill-advised to turn up its nose." He concludes: "Halfway between Europe and Asia, the Russians will probably choose a third path, between democracy and dictatorship."

Didier Francois in an analysis on pages 5 and 6 of left-of-center LIBERATION of 5 July writes that the "Russian citizen has voted for stability. He voted for Yeltsin because he does not believe his elites are prepared to go for a peaceful changeover," adding "consequently, the worst — possible, if not probable — has been avoided." He nevertheless warns: "The struggle for power is far from over. It is actually fueled by the president's ill health which is already stimulating the appetite of his likely successors. It should, however, take on a more discreet tone."

Sophie Shihab in an article on page 2 of left-of-center LE MONDE of 5 July writes "the Russian voters have not so much expressed their confidence in a man whose governing capacity is being questioned than their refusal to entrust their future to men from the past." Commenting on Yeltsin's health, she writes: "It is almost a virtual president — absent from public life for a week now — who has been reelected." She predicts "all political ambitions will probably revolve around the next presidential election in which Yeltsin will not participate and which is likely to be brought forward."

In a commentary on page 4 of business daily LES ECHOS of 5 July Francoise Crougneau writes that the Russian democratization process has just made "remarkable advance." However, the commentator expresses doubts over progress regarding the "maturity of the political class" and the "legitimacy of the reforms" and wonders whether Russia "will be able to recover a minimum of stability." She fears the struggle for power between Chernomyrdin and Lebed "will intensify" and questions Yeltsin's capacity to referee it. As for sharing out government posts by political weight, the commentator notes "this may become explosive in a country faced with accumulated challenges." The commentator concludes that "while a new Russia could emerge, instability will be the rule for a long time still."

Brigitte Breuillac in an article on page 7 of financial daily LA TRIBUNE DESFOSSES of 4 July observes



"it seems that Prime Minister Viktor Chernomyrdin will be the strong man of the postelection period. Moscow believes the newly reelected president could use him as a bulwark against General Lebed's ambitions." She then raises the question of Yeltsin's health: "There is still a major unknown factor: Will Yeltsin physically be able to govern his country for four more years?"

#### Italy

Former Defense Under Secretary Stefano Silvestri, in an article on pages 1 and 4 of the 4 July edition of leading centrist financial daily IL SOLE 24, says "these are the first truly democratic elections in Russia's history," but warns that "all that glitters is not gold." The relatively low turnout is "an alarm signal," though the new president "may legitimately claim to represent the whole of Russia." In any event, the author says, "the alternative of a victory by Zyuganov would have been worse from any viewpoint, both for Russia and for the world," but "a big question mark hangs over Yeltsin's health. His strength lies in his irreplaceability, but that is also the grave risk making the whole situation more fragile." Thus, Silvestri continues, while "the election did not resolve all the problems," "it does open up a period of hope, on condition that the rest of the world, as well as Russia itself, can take full advantage of it." Yeltsin is "now a far more credible, and thus far more influential, interlocutor on the international scene," and so "his international partners" will be well advised "to take this into account and to modulate their policies accordingly."

In an article on page 3 of the same daily Sergio A. Rossi writes that while Yeltsin will "have to remember the protest vote which gravitates around Zyuganov when he forms his new government," "the true significance of yesterday's vote remains the fact that the new democratic Russia does not want to move backward and Boris Yeltsin, with all his defects and mysteries, was the only man able to guarantee that it would not do so over the next four years."

Renzo Foa, writing on pages 1 and 2 of the 4 July edition of Democratic Party of the Left official organ L'UNITA, welcomes this "further step along the road toward democratization" but warns that it "has yet to find stability, which is still far from complete and a long way off." Hailing Yeltsin's victory, Foa nonetheless observes that his "health problem is the mark of the physical limits to his 'resurrection.'" Be that as it may, "today the danger of Russia's attempt to find democratic stability imploding seems far less than only six months ago." However, Zyuganov's defeat should not "fuel any illusions; it does not mean the elimination of the social problem." Indeed Yeltsin's victory puts the Russian

question into a "new perspective for the rest of the world and at the same time raises the problem of the aid the world can give in helping to complete the most important transition of the century."

In a commentary on pages 1 and 21 of the 4 July edition of right-of-center Milan daily IL GIORNALE, Alberto Pasolini Zanelli writes that "Russian democratic reform entered hospital along with its author but emerged healthier and stronger than he did." The moment Yeltsin "placed his ballot paper in the box" he proved he was "alive" and "communism died." Zyuganov was the "nostalgia party's last card," the author maintains, since, he suggests, a party representing a "geriatric bloc" is unlikely "even to run in the next election four years from now." Yeltsin has "completed the revolution he began," he adds. But now that he has "turned the great Russian ship of state to face the West," Pasolini Zanelli warns, "the two curves, his and his country's, are fated to diverge, one descending, the other rising." "Not all the problems have been resolved," he concludes, since Russia is still a "divided country" as exemplified by St. Petersburg having been "rechristened, while its province is still called Leningrad." "The day they share the same name again, the ship of reform may not have reached port but it will have rounded the Cape of Storms."

Writing a commentary for centrist Turin daily LA STAMPA on pages 1 and 2 of the 4 July edition, expert russianist Giulietto Chiesa says that "Boris Yeltsin has won" but "five years of shock therapy lost him" "a quarter of his votes." "Nor can there be any doubt that at least six or 7 of the 36 million votes left" were Lebed's, Chiesa contends, given to Yeltsin "on the understanding that Lebed would be running the show." In this light, the author adds, the Russian "election sounds a worrying alarm bell, calling for a correction of economic and social policy." Another "session of shock therapy," Chiesa goes on, could prove "shattering from a social and political viewpoint even more than from an economic one." Another "major" factor is the issue of Yeltsin's health, which gives Lebed "a crucial role in Russian leadership politics," the author suggests, and although he may "soon be jettisoned," such an act would be "a grave risk to stability." On the other hand, if Lebed's position is "strengthened, this will cause more than a few problems for Yeltsin and Chernomyrdin." Thus, Chiesa concludes "ominous question marks hang over the future."

In an article in centrist Milan daily CORRIERE DELLA SERA's 4 July edition on pages 1 and 7, Franco Venturini says that Yeltsin in the ballot booth, "a prisoner of his own infirmity," reminded him of "Chernenko, his fate sealed, voting in his hospital bed." "Postcommunist Russia went into hospital with" Yeltsin, the author

adds, "and the Russia of Western-style reform emerged shocked and confused" from an election that was "supposed to impart legitimacy to it." While the election appears to have consigned "Zyuganov's communist nostalgia to the history books," "Yeltsin himself is in danger" of becoming a "lame duck, lamed by his clinical record," he warns. Yeltsin's victory "destabilizes Czar Boris rather than strengthening him," Venturini continues, because whatever happens, "it cannot cure him," and also because Yeltsin's "hefty" win over Zyuganov only "fuels Lebed's ambitions, confirming how decisive his backing was and opening up a slow struggle for the succession in the Kremlin." Thus "what Yeltsin got out of the ballot booth," the author concludes, was more a "message of solitude than a mandate for power," but his most important victory, a "victory of which the Czar can be proud," is simply the fact that "today in Russia an election was held."

Left-of-center Rome LA REPUBBLICA in its 4 July edition on pages 1 and 12 carries a commentary by Paolo Garimberti headlined "A Ghost in the Kremlin." "The 'impeachment' brought by his doctors weighs down like a log" on Yeltsin's victory, Garimberti begins. A new "election campaign" for the succession, between "factions on the winning side" opened the moment "the ballot booths closed," he contends. In this campaign, he adds, the prize does not comprise "votes but power, or the pieces of power which a sick president could be forced to shed in a day, a week, or a year, depending on how long his arteries hold out." This, the author says, is "very reminiscent of things Soviet, on the very day the first democratic president of postcommunist Russia is announced." "Who will the new regent be," the author asks. "Lebed has no doubts" but "neither does Chernomyrdin." Thus "the worst possible scenario is already a reality. Inside the Kremlin the wolves are tearing each other apart over the pieces of power which the president is dropping onto the floor," Garimberti warns. In his view, the "curse of history has struck again." On the very day the Russians "banished the nightmare of a return to the past," he laments, the Kremlin is "once again the stage for a struggle for the real power which seeks legitimacy outside of the rules of authentic democracy." "When" the author cries, "will Russia cease having to pay this unending tribute to its mother the Soviet Union?"

The 5 July edition of the same daily, on pages 1 and 18, carries a commentary by Vittorio Zucconi, former LA STAMPA editorialist and expert in U.S. affairs, datelined Washington and headlined "Clinton Puts His Money on Yeltsin's Heart." Zucconi says that the words coming out of Moscow that most U.S. observers are paying the greatest attention to are "neither democracy,

nor reform, nor even fear, but 'coronary bypass'." The "anguish with which Europe and America must now follow the readings on Boris Yeltsin's electrocardiogram and hope for a bypass operation," Zucconi contends, is the "most eloquent comment" on his election victory. If President Clinton's proclamation that Yeltsin's win is "a triumph for democracy" were true, he adds, "there would be no need to scrutinize the Russian president's medical dossier." It is being scrutinized, however, because, he claims, "first and foremost America, but also Europe, have failed" to "maneuver into a position whereby they will not suffer if and when Russia bypasses Yeltsin and elects somebody else." The "double blackmail still linking Russia to the West — you Westerners need me because after me will come the flood of Lebed and Zyuganov; you, Yeltsin, cannot be elected without the money and backing of the U.S. and European governments — is a repetition of an old model of U.S. foreign policy," Zucconi maintains, a policy which "tolerated shady people at the head of important countries" only because they "found favor with the Department of State," not because "they guaranteed democratic evolution." While such a model is "realistic and maybe cynical but in any case without an alternative," in the author's eyes it is "far from encouraging." Zucconi also notes "the beginnings of a discrepancy" between "Clinton's unbridled enthusiasm" and "the more cautious European congratulations." The reason for Clinton's attitude, he suggests, can be found in the fact that "a Communist victory" would have brought foreign policy "to the fore" in the U.S. presidential election campaign, "giving the Republicans an advantage," while no European leader would win or lose a campaign "on the strength of what is happening in the Kremlin." While America, a world power, "is content for the time being simply to note that Yeltsin has taken Russia off the map as a potential competitor on the global scene and as a potential nuclear threat aimed at the United States," Zucconi says, Europe is a regional power "infinitely more vulnerable to the spasms of this Russian democracy suffering from angina pectoris." The "absence of any real strategic planning" is the "Clinton administration's biggest Achilles' heel where foreign policy is concerned," he maintains. "When the West has to entrust the future of peace and democracy in Russia to laying bets on the reliability of a surgeon's scalpel," Zucconi concludes, then Yeltsin's heart "is not the only things to have the jitters."

#### Benelux

On page 1 of in conservative Catholic LA LIBRE BELGIQUE of 5 July Michel Rosten observes that "for the first time in its history Russia has made a free and conscious choice to determine its future. It

has elected Boris Yeltsin to the presidency and, even if it does not know very well what a second term for the former dignitary of the Communist Party is going to bring, it has clearly distanced from the seat of power those nostalgic for the former regime and their representative Gennadiy Zyuganov." He concludes by saying that the Russian electorate's preference is clear: "It gives Boris Yeltsin, contested only by the Red belt in the southern agricultural regions, the authority and very ample freedom to maneuver, which we can only hope uncertain health does not prevent him from using in the months to come."

Freddy De Pauw in Groot-Bijgarden's 5 July independent Catholic DE STANDAARD comments on page 7 that "for a large number of Russians and the outside world, choosing Yeltsin was, above all, the lesser of two evils. Since the first round, however, the president can no longer go on as a guarantor of continuity and stability," and "in his first term of office, Yeltsin was already anything but a predictable leader. Now it is even more open to question which Yeltsin we and the Russians will get. Lebed's shadow makes policy even more unpredictable."

A page 11 5 July editorial in Amsterdam's left-of-center DE VOLKSKRANT observes that Russian society is sharply divided over its future, yet "the Russian voters let themselves be guided in their historic choice more by their hope for the future than their anger about the injustice and chaos of the past period."

A page 9 5 July editorial in conservative ALGEMEEN DAGBLAD observes that "the fact that so many Russians have put their future in the hands of a sick president with dictatorial tendencies is probably not so much a sign of confidence as a choice between the lesser of two evils," but Yeltsin's victory "offers no guarantee of stability during the stormy shift to democracy and the free market economy."

#### Scandinavia

Copenhagen's conservative BERLINGSKE TIDENDE in its 5 July page 12 editorial welcomes Yeltsin's "solid success in the election which largely passed off fairly and in accordance with the values and norms on which the West's democracies are based." The paper focuses on two major tasks for the future, for the Russian leadership and for the West. "First and foremost, however, the work of reform must be continued. Critics of the policy of reform have been purged several times. But this does not make the problems disappear. The economy is unhealthy.... The key figures tell a story of an economy out of balance, and not many months will pass before regulating intervention is necessary."

And as for the West: "And then there is the important task of convincing the Russians that an enlargement of NATO and the EU to include the Baltic and Eastern European states is not a threat to Russia's borders or interests, either directly or indirectly. On the contrary, enlargement must be seen as an important part of the stability and economic development which will make it possible to ease Russia's path toward the spring which must after all be waiting around the corner. And which came closer with the reelection of Boris Yeltsin."

Copenhagen's independent INFORMATION in its front-page 5 July editorial voices relief at the election result: "In addition to joy that the elections took place at all, there is also good reason for heaven-storming relief that it was Boris Yeltsin who won. It would actually have been difficult to be happy about a consolidation of democracy in Russia if Zyuganov had won — unless, of course, you were a U.S. presidential candidate or a Cold War-fixed NATO general.... With the election of Yeltsin Russia is maintaining its modus vivendi with the West as a mixture of minor quarrels with the West and broadly smiling summits — and this is not so little, when you think about the Zyuganov alternative."

In a section 2 page 2 editorial POLITIKEN, Copenhagen's liberal daily, also voices relief at Yeltsin's victory: "President Boris won a clear victory over the Communists' Gennadiy Zyuganov in the second and decisive round of the Russian presidential election. Here — despite Yeltsin's shortcomings — there is good reason to rejoice both in Russia and the rest of the world. If Zyuganov and his unreformed nationalist Communists had won, Russia would have been thrown into an unpredictable crisis, and its relations with the rest of the world would have been dominated by uncertainty."

But the paper voices concern about the future role of Yeltsin's new security adviser, General Lebed: "Yeltsin has asked former Prime Minister Viktor Chernomyrdin to form a government. The list of ministers will give an indication of what direction Russia will move in after the election. Perhaps the most important unanswered question is what role the new security adviser, General Lebed, will play. In the final phase of the election campaign he profiled himself as if he were Russia's real leader, and there can be no doubt that he has ambitions to become this. But does he also have the ability? And what will it mean for Russia and the rest of the world if he achieves power, as he would like?"

In a page 2 5 July editorial in Helsinki's Swedish-language HUFVUDSTADSBLADET Rafael Paro welcomes Yeltsin's election victory, confirmation from the Russian people of the policy of reforms: "At the same time as worrying about Yeltsin's health and the contin-



ued power struggle, there is every reason to note the deeper significance of Yeltsin's victory over Zyuganov. For the election must also be seen as a signal that a clear majority of the voters said yes to the policy of reforms which the incumbent president represents. They said yes to this course despite the difficulties, privations, crime, and injustices which have accompanied the reforms. But the majority wanted to go further to build the new Russia. It was a free and honorable election — although admittedly with some blemishes."

Paro also examines the election's impact on relations with the West: "It now remains to be seen whether the Baltic and Eastern European ambitions to achieve NATO membership will weaken. It will also be interesting to see whether the NATO countries themselves find reason to reexamine their policy. Has the Russian election increased or decreased their readiness to admit new members from Eastern Europe? Is it time for a completely new Russia policy in the Western camp, a policy which carries the stamp of even deeper cooperation?"

In its page 8 5 July editorial Oslo's conservative AFTENPOSTEN calls Yeltsin's victory "a personal triumph" for a "flexible and power-conscious politician, a product of the last 10 years of reforms who has not become bogged down in ideological dead ends."

"The election's other important message," AFTENPOSTEN writes, "is that appeals to nationalist feelings have not swept other issues aside, not even when these appeals contained clear elements of fascist thinking. It is not a dream of a Greater Russia which has guided the voters, but an attempt to make sure of a better and freer day-to-day life here and now."

AFTENPOSTEN also points to the economic challenges facing Russia's new leadership: "Russia's transformation is not complete, certainly not in the economic field. It is here Yeltsin will now meet his decisive test as the country's first democratically elected leader."

In an unattributed commentary on page 2 of its 5 July edition Stockholm's conservative SVENSKA DAGBLADET warns of the dangers of excessive relief at the reelection of Yeltsin and questions his democratic credentials: "The surrounding world's reactions of relief at the election of Boris Yeltsin as Russian president between now and the year 2000 (if he lives and is well, that is) is understandable, but that these relieved reactions should tip over into adulation and panegyric is an indication that many people have a real desire to be hoodwinked."

"It cannot be gainsaid that democracy in Russia emerged victorious from the presidential election. But the winner of the election is no democrat. Yeltsin was of course always to be preferred over his rival, Communist leader Zyuganov, but in the last two years has acted more and more like an all-powerful ruler and less and less like a democratic leader." The "Russian economy remains the most important challenge for the new administration."

In a page A2 4 July editorial Stockholm's liberal DAGENS NYHETER wonders whether ignorance of Yeltsin's state of health could lie behind his election victory, but "the more obvious reason for Yeltsin's reelection is, however, that the Russians have chosen their path. They have voted just as much for the change of system which Yeltsin represents despite everything as for the man himself. The Russian voters have preferred continued reforms to Communist nostalgia; they have chosen the new instead of the old."

"Gloomy future prospects are always easy to conjure up for the immense Russia. However, today the dominant feeling is that something historic has happened. For the first time the country's citizens have been allowed to choose their president in free elections. The Communists have been stopped in their last great attempt to regain power in Moscow."

"A great victory has been won for Russia."

**CIS: ITAR-TASS Carries Press Review for 6 Jul**

LD0607053496 Moscow ITAR-TASS in English  
0503 GMT 6 Jul 96

["Press Review" — ITAR-TASS headline]

[FBIS Transcribed Text] MOSCOW, July 6 (ITAR-TASS) — Central newspapers continue to highlight today Boris Yeltsin's victory at the presidential elections. Official results of the voting in the second round of the presidential elections are expected to be made public early next week, Rossiyskiye Vesti writes. Secretary of the Central Electoral Commission believes that, most probably, it will take place on July 8 or 9. Deputy Chairman of the Commission Aleksandr Ivanchenko also mentioned July 9 as the most probable date of the publication of official results.

Rossiyskiye Vesti reports that the State Duma congratulated Yeltsin on his re-election to the post of the Russian President. On behalf of the lower chamber of parliament, the congratulatory message was sent to the head of state with the consent of all Duma members attending a regular plenary session.

"A burden of complicated political and socio-economic problems waiting to be resolved will be put as a heavy weight on the shoulders of the head of state. We wish you good health, strength, wisdom and vigour, so that you will be able to carry that burden with dignity. We hope for the consolidation of efforts of all the political forces in society in order to enable Russia to get out of the crisis and ensure proper living standards for our people," the message says.

According to Rossiyskaya Gazeta, late at night, on the next day after the elections, ex-candidate Gennadiy Zyuganov held a press conference at the Duma. He confirmed his respect for the will of citizens of the Russian Federation, read his personal congratulatory message to re-elected President Yeltsin and expressed hope that "Russia will overcome the state of a crisis thanks to the efforts of all social and political forces of our society, that proper living conditions will be ensured to the people today and a better, free and well-to-do life will be ensured to them in the future."

Rossiyskaya Gazeta carries an interview with Vice Speaker of the State Duma and member of the Council of the Our Home Is Russia movement Aleksandr Shokhin. According to Shokhin, "the main result of the elections is that Boris Nikolayevich won by the majority of votes. If the majority of people voted against both candidates and Yeltsin failed to get more than half of the votes, the result would have been far less convincing. One may state today that Yeltsin is the president of the

majority of Russian citizens. So, there will be no split in society, which was mentioned so often recently."

Rossiyskiye Vesti carries an interview with Sergey Belyayev, head of the parliamentary group of Our Home Is Russia, entitled "Non-Communist Group Being Formed in Duma." He confirmed that a possible creation of an alliance of non-communist forces rallying representatives of various parliamentary groups, on which the President could rely in his work, was being discussed now. "Such a group would promote a great deal the adoption by the parliament of well-considered, constructive resolutions, and the consolidation of democratic forces." Belyayev stressed that the group would not set itself any tasks of anti-communist nature or involving confrontation.

Krasnaya Zvezda writes that President Yeltsin assigned Prime Minister Viktor Chernomyrdin, Finance Minister Vladimir Panskov and acting Defence Minister Mikhail Kolesnikov to take all measures needed for supplying the Armed Forces with fuel in due time before the coming autumn and winter.

The terrorist, arrested in the capital of Kabardino-Balkariya and responsible for the June 28 bus explosion in Nalchik and for an attempted act of terrorism at the railway terminal in Prokhladnoye on July 1, acted on the order of the ringleader of an illegal armed gang in Chechnya, Aleksandr Zdanovich, acting head of the Public Relations Centre of the Federal Security Service, said in an interview with Rabochaya Tribuna.

**CIS: Talks on Nagorno-Karabakh Settlement Over**

LD0507161496 Moscow ITAR-TASS in English  
1548 GMT 5 Jul 96

[By Nikolay Vukolov]

[FBIS Transcribed Text] STOCKHOLM July 5 (ITAR-TASS) — Talks on the settlement of the Nagorno-Karabakh conflict in the framework of the Minsk process of the Organisation for Security and Cooperation in Europe (OSCE) have been concluded here. Representatives of the three conflicting parties and co-chairmen of the Minsk group of OSCE on Nagorno-Karabakh — Russia and Finland — participated in the talks.

The sides proposed to discuss the draft agreement on terminating the military conflict but no substantive progress on the text of the agreement has been reached.

There was exchange of opinions on further work at consultations of representatives of the member-countries of the Minsk group of OSCE on Nagorno-Karabakh in Stockholm, held simultaneously with the talks. It was

agreed to continue the consultations until the Lisbon summit of OSCE opens in December 1996.

**CIS: Kazakh, Uzbek, Kyrgyz Presidents Hold Talks in Almaty**

*LD0607195296 Almaty Kazakh Television First Program Network in Russian 1400 GMT 6 Jul 96*

[FBIS Translated Text] President of Uzbekistan Islam Karimov and President of Kyrgyzstan Askar Akayev have been in Almaty today on working visits.

[Unidentified correspondent] They were met at the airport by Kazakh President Nursultan Nazarbayev. During the conversation that took place later, the heads of state discussed the most important matters in development within the Central Asian economic area.

[Begin recording] [Nazarbayev] It was a summing up of the implementation of the agreements on the Central Asian union, a final settlement of the problems of setting up the Central Asian peacekeeping battalion, and we discussed the provision of the three republics with foodstuffs and the work of heating systems during the winter. Of course, we also had to define our positions relating to the new reality that has emerged following the presidential elections in Russia.

Meetings like this are never aimed at countering any other [word indistinct], or at setting up, so to speak, some military alliances. We have no such desire. The only thing we want is to get out of the crisis and to improve people's lives.

[Karimov] We are now building our life, our future. I will repeat that we have to take into account the peculiarities and all that [words indistinct] that in general is typical of both Kazakhstan, Kyrgyzstan, and Uzbekistan.

[Akayev] I have realized that the factor of personal liking and personal relations — I am a young politician in comparison with the two presidents, Nursultan Abishevich Nazarbayev and Islam Abduganiyevich Karimov — is the key factor in strengthening friendship between our peoples, expanding our cooperation, raising the effectiveness of cooperation between our countries, and consolidating the Central Asian union. [end recording]

[Correspondent] The presidents of Uzbekistan and Kyrgyzstan warmly congratulated Nursultan Nazarbayev on his birthday and wished him further achievements in his work.

**Baltics: Russian Official Raises NATO Issue at Baltic Council**

*LD0307163796 Stockholm Sveriges Radio Network in Swedish 1445 GMT 3 Jul 96*

[FBIS Translated Text] The foreign ministers from the 11 countries bordering on the Baltic Sea ended their grand meeting in Kalmar [south Sweden] this afternoon. In the final hour, the Russian deputy foreign minister raised the issue of NATO enlargement. The time has come for the Council of Baltic Sea States to start discussing some more major political issues, Sergey Krylov thought.

[Begin recording] [Krylov, in English] There is no situation when the solution can be found.

[Unidentified correspondent] What do you hope will be the solution when it comes to the NATO enlargement [words indistinct]?

[Krylov] Necessary to search. [end recording]

Russia does, of course, oppose the Baltic states' entry in NATO defense cooperation. But despite everything, it must be possible to find a solution to the problem, Krylov said. He did not want to say what such a solution might look like. Krylov only said that if NATO is enlarged eastward, Russia will find itself in an extremely difficult political situation. In that case, we must react in some way, he added.

The Baltic countries' desire to join NATO was not on the agenda of the Baltic Sea conference, but it has been a major issue in the informal talks here in Kalmar. Krylov seized the opportunity to raise the matter in his final speech.

However, Swedish Foreign Minister Lena Hjelm-Wallen does not think that the disputed NATO issue is a topic for the Baltic Sea Council. Instead, the council should continue to discuss environmental issues, for instance, she says.

[Begin Hjelm-Wallen recording] There are so many issues to deal with. Environmental issues are extremely important and must be dealt with. Just because there are other issues that are more controversial, we do not need to focus on them especially. This council exists to solve practical problems. [end recording]

One of the practical problems that the Baltic Sea Council has discussed is the cumbersome and time-wasting border crossings between the countries. The customs and passport control is to be more efficient from now on, among other things through the introduction of a special border ombudsman in all countries bordering on the Baltic Sea.



**Russia: Presidents Clinton, Yeltsin Hold Telephone Conversation**

LD0507151096 Moscow *ITAR-TASS World Service*  
in Russian 1424 GMT 5 Jul 96

[FBIS Translated Text] Moscow, 5 Jul (ITAR-TASS) — There is no alternative to an equal partnership between Russia and the United States. This was stated during a telephone conversation today between Russian President Boris Yeltsin and U.S. President Bill Clinton.

The head of state's press service said that both presidents "expressed confidence that cooperation between the two countries in the international arena is a guarantee of stability and security in the world."

**Russia: 'Secret' Yeltsin Letter to Clinton Cited**

MM0507143996 Moscow *IZVESTIYA* in Russian  
6 Jul 96 pp 1, 3

[Report by Konstantin Eggert and Maksim Yusin: "Secret Yeltsin-Clinton Correspondence. Moscow Asks Washington To Influence the Baltics"]

[FBIS Translated Text] In the second half of June, a few days after the first round of the presidential elections, Boris Yeltsin sent Bill Clinton a letter.

This fact was not reported at the time either in the press or in statements by Russian officials. The message was of a strictly confidential nature and concerned the Baltic countries, first and foremost Estonia and Latvia. Extracts from the letter were read out at a briefing at the Foreign Ministry Press Center, but not until 2 July, and even then only after people in Smolenskaya Square [Foreign Ministry] had learned with amazement that *IZVESTIYA* knew about the document.

Why did Yeltsin decide to appeal to "friend Bill" at precisely that moment and why did he choose the genre of the secret letter, which is not the most widespread genre in Russian-U.S. relations? The reason was the joint visit to the United States by the three Baltic presidents which took place at the end of last month.

In the course of the preparations for this trip it was not certain that Lennart Meri, Guntis Ulmanis, and Algirdas Brazauskas would have a White House audience. However, the very day before Yeltsin's letter was dispatched, Clinton made the decision: The meeting would take place. "Four months before the elections, the President cannot ignore not only the Baltic diaspora, but also the numerous emigres from Central European states," in the view of a high-ranking U.S. diplomat. "Both the Baltic and Central Europe want to join NATO, and therefore, for instance, the influential Polish diaspora in the United States keeps a careful eye on every nu-

ance of the administration's approach to the expansion of the alliance."

After it became known that the meeting with the Baltic leaders would take place, two main tasks faced Russian diplomacy. First, to stop the Americans publicly supporting the idea of Lithuania, Latvia, and Estonia joining NATO. Second, to try to convince Clinton to raise the topic of discrimination against the Russian-speaking population in his talk with Meri, Ulmanis, and Brazauskas.

That was when Moscow had the idea of a personal message from Yeltsin, which must without fail be confidential. A public appeal to the U.S. President might cause displeasure in Washington. U.S. public opinion would hardly be overjoyed at the idea of the White House incumbent being given advice on what topics to discuss with his foreign guests and in what way. The Kremlin also took into account the possible negative reaction among Russians to attempts to enlist the Americans to mediate between Moscow and the Baltic capitals. The nationalist patriots could easily have accused the president of being unable to resolve problems arising in the "near abroad" without U.S. help.

The message takes a very tough tone. Moscow accuses Tallinn and Riga of "flagrant mass violations of human rights," and sees no changes for the better in the position of Russian-speaking inhabitants recently. Yeltsin expresses dissatisfaction at the passivity of international organizations and the indifference of the United States toward the fate of Russians in the Baltic states. This is what is said in the document, the full text of which is in *IZVESTIYA*'s possession:

"Latvia and Estonia are frequently not prepared to listen even to what we see as restrained recommendations from independent international experts, including the UN Human Rights Committee in Geneva, and to the conclusions of the OSCE [Organization for Security and Cooperation in Europe] missions in Tallinn and Riga, concerning the need to amend domestic legislation and administrative practice.

"This negative approach is associated, to a considerable extent, with the direct or indirect support of certain states for the Estonians and Latvians. This support is unfortunately perceived in Tallinn and Riga not so much as encouraging them to create a stable civil society and a rule-of-law state and to strengthen democracy and respect for human rights, but as agreeing with their course of infringing the basic rights and freedoms of the Russian-speaking population....

"At the same time, it seems to us, the United States has for some reason recently relaxed its influence on

Tallinn and also on Riga as regards encouraging a more balanced, objective approach by the Baltics to the humanitarian situation in their countries."

The version of the letter made available by the Foreign Ministry to the "public at large" also does not mention another topic broached in some detail by Yeltsin in the secret original — the territorial dispute with Estonia. Despite Estonian politicians' statements on the absence of territorial claims on Tallinn's part, Yeltsin indicated Moscow's position clearly: As long as Estonia insists on recognition of the 1920 Tartu treaty, under which part of the territory of what is now Pskov and Leningrad Oblasts is deemed part of the neighboring state, Russia will consider that the Estonians do have claims on its territory.

Another point is worthy of note: The Russian head of state informed Clinton that our country will not oppose "cooperation between Latvia, Lithuania, and Estonia and the EU." Maybe Yeltsin is thereby letting it be known that admission to the EU could be a kind of compensation for the Baltic states for not being admitted to NATO. This idea has recently been discussed actively in the West and, in particular, was aired in the publications of the "Rand Corporation" — the major U.S. research center which has a great influence on politicians in America and Europe.

As for the admission of the former Baltic republics of the USSR to the North Atlantic Alliance, here Moscow remains adamant. Indeed, Yeltsin's message contains much more trenchant expressions than those contained in the Foreign Ministry spokesman's statement: "...There can be no question of even a hypothetical possibility of extending NATO's sphere of operation to the Baltic countries. For Russia that prospect is categorically unacceptable, and we would regard any steps in this direction as a direct challenge to our national security interests and as the demolition of the fundamental structures of European stability...." The letter contains an unequivocal hint at Russia's possible refusal to comply fully with the Treaty on Conventional Armed Forces in Europe unless the West heeds Moscow's arguments.

Did Yeltsin succeed in achieving his objectives? Diplomats from the Baltic states who talked with IZVESTIYA on condition of anonymity admit that they had been expecting something more definite from Bill Clinton on the question of their countries' admission to NATO. The U.S. President confined himself to a promise that the list of candidates for admission to the alliance will not be confined to the current applicants (meaning the Czech Republic, Poland, and Hungary). In the opinion of our sources in Smolenskaya Square,

this restraint on the part of the American leader can be explained primarily by Yeltsin's letter.

The Russian diplomats regard it as an equally important achievement that Clinton not only touched on the position of the Russian-speaking population in his discussions with the Baltic presidents, but did not conceal this from the press. Admittedly, in the opinion of our interlocutor from the Latvian Embassy in Moscow, the U.S. President broached this tricky subject in gentle terms that did not provoke a painful reaction in Ulmanis and Meri. "He would have done it even without Yeltsin's letter. During his recent visit to Riga Clinton raised the question of Russians' rights on his own initiative," the diplomat observed.

#### **Russia: Strategic Rocket Forces Receives U.S. Military Delegation**

*LD0507123796 Moscow Russian Television Network in Russian 1000 GMT 5 Jul 96*

[FBIS Translated Text] After visiting the facilities of the Russian strategic rocket forces, the Brigadier General of the U.S. Air Force Space Command and the Pentagon officials accompanying him held a meeting with the command of the Strategic Rocket Forces this morning.

General Thomas Neri [as heard] stated: we regard it as our main task to safeguard these systems from further development, to monitor them and prevent possible terrorism regarding nuclear weapons. This according to Neri confirms to a certain degree the concept of the Partnership for Peace program which Russia joined. According to Neri, in the event of local conflicts which may flare up between countries possessing strategic armaments, Russia and the United States should act jointly, looking to their combined nuclear potential to deter third parties from threatening to use weapons of mass destruction. However, representatives of both the United States and Russian commands preferred not to answer whether there is an instruction on such cooperation between the United States and Russian nuclear forces. It looks as if these issues will be subject to further discussions and consultations between representatives of the Pentagon and the Defense Ministry.

The Russian military believe that in this situation very little depends on them. They can only recommend ways of cooperating on the basis of good mutual relations. The resolution of such issues lies outside their competence, and is fully within the politicians' remit.

**Russia: Lukin Reminds NATO Leaders of  
Opposition to Expansion**

LD0607104896 Moscow ITAR-TASS World Service  
in Russian 2120 GMT 5 Jul 96

[By ITAR-TASS correspondent Aleksandr Mineyev]

[FBIS Translated Text] BRUSSELS, 6 Jul — In Brussels on Friday, Hans van den Broek, member of the European Commission, and Vladimir Lukin, chairman of the State Duma Committee on International Affairs, discussed cooperation between the EU and Russia in the new political conditions.

Lukin headed a delegation from the Parliamentary Committee. In Brussels he met NATO Secretary General Javier Solana, NATO Supreme Commander General George Joulwan, and other alliance leaders.

"All the EU and NATO officials I spoke to are happy with the outcome of the presidential election in Russia," V. Lukin noted in an interview with ITAR-TASS. "The Russian MPs stressed that the results of the election are unquestionably a great success on the very difficult road to democracy. Russia has shown that it is capable of holding free and democratic elections without incident in spite of the complicated economic and social situation."

The delegation reiterated Russia's unchanged position on NATO expansion. V. Lukin believes that the NATO leaders tried not to confine the discussion to this "unpleasant" topic and spoke instead about cooperation on specific issues. "We are prepared to cooperate with an organization which takes account of our interests," he said. "However, NATO's expansion runs counter to Russia's basic interests." Lukin believes that the question of NATO's expansion remains open at the moment, and there are problems within the alliance on this score. The Berlin session of the NATO Council gives grounds for hoping that this problem can be solved "without loss of face."

As for relations between Russia and the EU, they are regulated by the agreement on partnership and cooperation, which will come into force shortly. This will allow Russia to do business with the EU on a far higher level than with the United States, for example. But, V. Lukin stressed, it should not be thought that all the pluses are with us and all the minuses with our partner. "Objectively, we cannot be equal because our economy is in a completely different state. However, there has to be a balance of interests and the agreement achieves this. We cannot open ourselves up so much that imports completely take over from domestic industrial goods on the Russian market," V. Lukin noted. "But

there is no point in retiring into a shell. After all, China has expanded rapidly thanks to its open doors policy."

**Russia: Expanding NATO 'Real Threat' to Russia**

MM0507120896 Moscow KRSNAYA ZVEZDA  
in Russian 5 Jul 96 p 3

[Article by Professor, Lieutenant General Leonid Ivashov under the "Viewpoint" rubric: "NATO's Eastward Expansion Is a Threat to Russia"]

[FBIS Translated Text] As a rule the keen debates on European security problems in recent months have focused on the decision on NATO's eastward expansion. The representatives of the Russian Federation, supported by the Belarus side, have been taking a tough position and stating that this process is unacceptable. At the same time the NATO members have been mounting a fairly disciplined defense of this decision. The arguments of those who support the expansion are not particularly varied: the alliance is being transformed into what is almost a peace-making organization; the Organization for Security and Cooperation in Europe [OSCE] is an amorphous organization incapable of heading the process of creating an effective system of European security; and finally it is the inalienable right of any state to join NATO or not.

As a participant in many discussions on this problem my conclusion is that our opponents do not want to reveal the true aims of NATO's eastward advance and refuse to understand what result this could have. This is obvious, because none of their arguments about the need for NATO's expansion stands up to criticism. Take the following NATO argument, for example: The expansion decision was made on the basis of a forecast of new threats and risks. What does this mean precisely? If it means terrorism, the fight against that, even with the possibility of nuclear blackmail, does not require the expansion of NATO's membership and the bloc's zones of responsibility. The fight against terrorism needs different decisions and accords. The emergence of a situation like that in Yugoslavia cannot be entirely precluded, just as the likelihood of a worsening of relations between states in Europe cannot be denied. But the potential that NATO already has today is sufficient to extinguish such "hot spots."

The "threat from the East" remains. But serious analysts can hardly regard the groupings of Russian troops and naval forces in the Western sector as a factor comparable with NATO's military potential. These groupings, now weakened and significantly reduced, have virtually lost their offensive potential and are incapable of threatening NATO's troops. Any attempt to use force



against non-NATO countries is fraught with serious political, economic, and indeed military consequences for Russia. Therefore there is hardly any politician in the Russian leadership who would dare even to suggest the strong-arm method of resolving international problems. Especially since the trend in Russian political life is toward civilian, including parliamentary, control of the Armed Forces' activity and of the decisions made regarding their use. In other words, Russia presents no military threat to the Central and East European countries.

However, the expanding alliance presents a real threat to Russia, even though our NATO partners are seeking to convince us of the opposite.

What form does this danger take?

First, a powerful military grouping, which everyone in the Soviet Union young and old alike regarded as the likely enemy just a few years ago, is moving close to Russia's borders. This Cold War feature has not disappeared from the minds of most Russians, and NATO's attempts to advance east merely intensify this prejudice. Especially since simple arithmetic demonstrates the opposite, despite all the assurances about the bloc's transformation and the reduction of its potential.

For example, when the bloc's ground forces grouping is reinforced by the inclusion of the armed forces of Hungary, Poland, and the Czech Republic, its combat component will increase from 48 full-strength divisions to 62, that is, nothing more nor less than 14 extra divisions. The number of brigades will rise by 44 (from 101 to 145).

The joint air forces' total of warplanes will rise by 17 percent and its helicopter numbers will increase by 13 percent. NATO's air defense forces in Europe will get an extra 125 fixed antiaircraft missile systems.

The joint naval forces are not going to be left out here either. The Polish Navy alone will increase the bloc's complement of warships by 18 percent and its patrol aviation will increase by over 50 percent.

In addition, NATO is acquiring an extra 285 airfields, a number of which are in the immediate vicinity of the Russian, Belarus, and Ukrainian borders.

Second, the character of the NATO Joint Armed Forces' operational and combat training is a cause for anxiety. Training events are increasingly being conducted together with Polish, Hungarian, Czech, and Slovak troops and staffs. Most often what these exercises rehearse are not aspects of peacekeeping operations but plans for operations in the initial stage of a war and the conduct of large-scale combat actions using all troop categories

and branches of the bloc's joint armed forces. In the past two years there has been a steady trend toward a more covert character in the tasks resolved in NATO Joint Armed Forces' strategic command-staff exercises. On the other hand, strenuous efforts are made to publicize peacekeeping exercises at company and platoon level.

Third, the Soviet Union and later Russia made a decisive contribution to ending the Cold War in Europe and the continent's division into two opposing military camps. The changes which have occurred inspired many Europeans to hope for the creation of a united Europe where the military would not have their sights trained on one another. Russia, in turn, expected from now on to be a full member of the European and world communities. However, it has suffered a snub in the form of the decision on NATO's expansion, which showed that Moscow's claims to full participation in European affairs are nothing more than a completely unsubstantiated ambition. It is not impossible that in the future NATO will cease to take account of Russia's opinion at all.

How can Russia respond to the threats outlined above?

Today its protests sound like nothing so much as a plea for mercy. This is due to the socioeconomic crisis, the calamitous situation of the whole defense complex, and the war in Chechnya. Nevertheless, if NATO does begin to implement its idea, Russia will have to strain every sinew and adopt measures in response. These could include the amalgamation of the military potentials and joint deterrent actions with the Republic of Belarus, some strengthening of troop groupings, and the targeting of some of its systems capable of reaching the West European countries on their capitals, administrative centers, and other vital targets. All these things will be a defensive response which does not revive the military threat to the West.

The Western countries' political elite must also realize that, if NATO is expanded, the foundation of international-legal commitments in the sphere of European security and disarmament that took so much trouble to lay down will be deeply cracked. For Russia there will be no point in fulfilling the CFE treaty or, probably, the strategic arms accords. An area of tension will be created in the Helsinki accords.

The question is: Why is NATO incurring such a perceptible political and economic cost, and is that cost compensated for by the advantages and benefits gained from the inclusion of new members in the alliance?

When we talk about NATO we have to see who makes policy in the alliance. One thing is clear: The

so-called smaller NATO countries with the right of a decisionmaking veto generally fall in line with the policy of the big countries, the United States above all.

But U.S. policy in the security sphere, including European security, is clearly outlined in officially adopted doctrinal documents. The essence of the policy is the consolidation of its leading position in the world and the establishment of influence over all spheres of the world community's activity. This, so to speak, is the general line of U.S. conduct in the immediate future. Furthermore, in its implementation the main attention is being focused on military strength despite the changed geostrategic conditions.

U.S. national security strategy clearly and unambiguously proclaims: "We (the United States — author's note) are the world's greatest power, with global interests and a global responsibility." It continues: "The U.S. Armed Forces must be able to counter the military strength of regional powers whose interests conflict with the interests of the United States and its allies."

At the political level the following aims are visible in the U.S. actions regarding Europe:

to prevent a strengthening of Russia's influence on the continent as a whole and in the zone of the geopolitical vacuum formed after the disintegration of the socialist system in particular;

to curb united Germany's appetite;

to preserve its leading positions on the European continent.

Economic interests are determined by the need to prevent a restriction of the market for U.S. goods and investments and also to expand the arms market through reequipping the potential NATO members' armies.

For the United States, Europe is one of the world's key regions, but "Russia's future," according to the aforementioned national security strategy, "is uncertain." The nature of this uncertainty is not disclosed. Nevertheless, according to the Fiscal 1994-1999 Military Planning Guidance, the U.S. Defense Department's official document, in two out of seven predictable conflicts in the world Russia is viewed as the likely enemy.

On the other hand, the applicants themselves are actively in favor of NATO membership. Their political interest consists in making contact with the Western community, its civilization, and its institutions so as to end their inferiority complex. It is easier to do this through NATO, especially with U.S. support. The economic interest is also obvious: It is quicker to integrate into West Europe's economic structures via NATO and obtain investments and other benefits. Membership of

the alliance also makes it possible to systematically replace the whole stock of Soviet-made armaments and perhaps also take part through their defense enterprises and scientific design establishments in the joint development and production of new prototypes together with the NATO countries.

What can Russia do to hinder NATO's eastward expansion? Above all it should be noted here that in recent months Russia has chosen the right line. Some of its steps have considerably strengthened Moscow's position. For example, it has stated its readiness to give security guarantees to countries not belonging to NATO and the Tashkent Collective Security Treaty.

Nevertheless, the political initiatives must be stepped up. It is expedient to broaden the framework of relations with NATO according to the 16 + 12 formula or the 16 + 19 + the group of neutral states. The 16 + 1 formula was a kind of political trap which split the Commonwealth countries' joint efforts in the security sphere. In addition, it is politically disadvantageous to Russia because, even with the establishment of special relations with NATO as an organization, Russia will not have the right of veto whereas Luxembourg, which contributes only one battalion to the alliance, or even Iceland, which does not contribute a single soldier to NATO, do have such a right.

It should also be borne in mind that the strategy of asserting single U.S. leadership and U.S. global responsibility for the state of affairs on planet Earth are not accepted by all the countries of the world. The Americans will either have to renounce it and set themselves more modest goals, or else incur enormous costs which are bound to affect U.S. taxpayers' interests. This was also recognized by the head of the U.S. Administration in his message to the Congress in February: "However powerful our state may be, we can never ensure the attainment of these goals by ourselves." But the question of the moment is how long the other countries, including those in West Europe, will follow in the wake of U.S. interests. The reality today is the collective actions of the NATO countries. For Russia acting alone it is a hundred times more difficult to influence a change in the situation in Europe in terms of safeguarding its interests and security. The need now is for collective, coordinated actions, not just in the CIS framework, and for a targeted long-term strategy.

**Russia: Lebed Proving New Headache for West, Yeltsin Has 2 Options**

*MK0607101796 Moscow NEZAVISIMAYA GAZETA in Russian 6 Jul 96 p 2*

[Analysis by Yuliya Perovskaya, Dmitriy Gornostayev: "New Headache for the West"]

[FBIS Translated Excerpt] [passage omitted] The delight abroad at Boris Yeltsin's triumph is likely to cool off a bit in the near future. A new likely headache for the West is the new secretary of the Russian Security Council, Aleksandr Lebed, who has taken a tough stance on protection of the Russian Federation's national interests, at least to the extent that he sees it.

The leaders of democracies may now find themselves in a dubious situation. In the wake of President Yeltsin's victory, they in theory are supposed to give him an all-out support as Russia's main representative. Yet, its another, now no less outstanding, representative — Lebed — is capable of coming out with extremely sharp utterances albeit no less useful for Russia. His recent statements on his negative view of religious sects and a need for stricter rules of entry in the Russian Federation have caused displeasure in the West. White House Press Secretary Michael McCurry made a special statement in this regard during the Lyon summit. In this case, Lebed's sharpness may put Boris Yeltsin in an awkward position on the international arena.

Incidentally, much depends on him with regard to Lebed's relations with Western politicians. Simply put, the president has three options: a) to crack down on Lebed, b) to try to crack down on the West, and c) to constantly explain to the West what Lebed really has in mind and that there is nothing bad behind it.

Clearly, the third option suits least of all the high-ranking politician because it would evince his weakness. Therefore, Yeltsin would have to choose between the first two.

**Russia: Lebed on Foreign Relations, Constitution**

*LD0707150596 Moscow Mayak Radio Network in Russian 1409 GMT 6 Jul 96*

[FBIS Translated Text] Attacks on Aleksandr Ivanovich Lebed, secretary of the Security Council and the president's aide for national security matters, began right after his coming to Yeltsin's team. The opposition is still accusing him of extremism and the wish to tighten visa regulations for the CIS citizens, in particular. Let's find out what Lebed himself thinks about this.

[Begin Lebed recording] I intend to take only civilized measures. As regards the West, I see no particular problems. I am always asking Western businessmen and

politicians: Did you help us to lift the Iron Curtain or didn't you? They put ashes on their heads and say: Yes, sir, we did indeed. So I say: All our thugs are now with you. Good luck! You scored a victory in the cold war — good for you, my congratulations. Now we will be friends with everyone and trade with everyone. We must be concerned with just one thing: Russia is one sixth of the world, a big and diverse country. And if Russia falls to pieces, everyone will get his share of splinters. Therefore [words indistinct] helping Russia is in your own interests — and the quicker the better, because it will cost you less. There is always room for improvement. We have just begun our cooperation. The future is looking good.

It has become very easy today: You come to Russia, commit a crime and fly back to the CIS, which is equal to vanishing into thin air. Everyone is now coming to Russia for loot and plunder. I object. Russia's wealth is for the Russian citizens, first and foremost. It's up to us to decide if we want to give it to someone. But I will not allow anyone to plunder Russia. That's what I meant when I talked about visa regulations. Our good neighbors and guests are welcome, but robbers will be barred from Russia. There are too many of them.

This [visa regulations] will be the result of collective work. I am sending documents to all the ministers, so that they can express their views, so that when we put the question forward at the Security Council everything will be already agreed upon.

We are used to a constant fight: for the harvest, for example, and the fight against crime and corruption is being conducted nationwide. But if you want to walk a certain distance, you must take the first step. We must do some of the work in advance. I intend to stage a scientific and legally sound experiment.

One should think not about the Constitution's inviolability — this document has been created by people, after all. We must think about creating a stable and balanced system in society. So if we need to introduce amendments into the Constitution, we must do this. And on the whole, we must try to make all the branches of power equal to some extent. I can tell you about my approach. Who cares most about the people? We all know who. OK then, here is the post of labor minister or social protection. Let's use the power of the party officials to solve the problems in a civilized way, in style. Because there are too many clever people around to stay in opposition: good fun, light work, lots of money — it's safe to be in opposition. Don't you agree? You just sit back and tell everyone how good it would be...if. But everyone must work, everyone must work in the country, not chat. [end recording]



**Russia: New Treaty With DPRK Denies Mutual Military Aid**

*SK0707135396 Moscow Voice of Russia World Service in Korean 1200 GMT 7 Jul 96*

[FBIS Translated Text] Russian Vice Foreign Minister Aleksandr Panov stated that Russia will not extend the Treaty on Friendship, Cooperation, and Mutual Assistance it concluded with the DPRK in 1961.

He pointed out that many changes have taken place throughout the world since the treaty was signed, and that Russia has proposed concluding a new treaty with the DPRK.

The draft of the new treaty specifies that when one side is invaded by a third country, military assistance to each other is to be denied [saeroun choyakanun chesamgukuroputo chimyaki issul kyongue ssangbange taehan hosang kunsu wonjo chegongul paejae hago issumnida].

**Russia: Atomic Energy Minister on Ties With Iran**

*NC0607050096 Tehran ABRAR in Persian 27 Jun 96 pp 1, 12*

[Report on an interview with Russian Atomic Energy Minister Viktor Mikhaylov by an unidentified ABRAR correspondent in Moscow; date not given]

[FBIS Translated Excerpt] [Introductory passage omitted] Viktor Mikhaylov heads one of the most important ministries in Russia, one that is currently cooperating with Iran to complete the Bushehr Nuclear Power Plant. ABRAR's discussion with him was informal and friendly.

Mikhaylov, who has adequate knowledge of Iranian culture and learning, stressed the need for youth to get acquainted with modern science and technology of today and deemed it a source of pride and exaltation for our country.

Stressing the need for continuing economic cooperation between Russia and Iran, he rejected the West's accusations of bilateral nuclear military cooperation and said: This is the figment of the sick imagination of a group of individuals.

Mikhaylov emphasized the high coefficient [zarib] of the security of the power plants built by Russia and asked us to "knock on wood" to avoid any evil eye being cast on these power stations!!

Asked by ABRAR's special Moscow correspondent how he assesses the negative fallout in some countries regarding the peaceful nuclear cooperation between Russia and Iran, and their claim that this cooperation

is of a military and not a peaceful nature, the Russian atomic energy minister said:

[Mikhaylov] In 1992 we signed an agreement with Iran to complete the Bushehr Nuclear Power Station, which could have two to four reactors. Another agreement was between our governments for the peaceful utilization of nuclear energy.

In 1987 Gorbachev and the erstwhile prime minister in Iran signed a program for scientific and technical cooperation and the agreement [in 1992] was signed as a follow-up. These two documents, the 1987 agreement and two other agreements [as published], are based on Iran's being an exemplary member of the International Atomic Energy Agency [IAEA]; it has placed its centers under Agency supervision and follows its commitments to the letter.

Iran has given permission [to the IAEA] to inspect its nuclear activities anytime any place. Here I may remind you that this is not the first agreement on nuclear energy in Iran. During the shah's time and before the revolution, agreements were signed with the United States, Germany, and France regarding the construction of 23 reactors to produce power. The program was started and included Bushehr. The United States also built a reactor in Iran for research purposes. It is still functioning and is used in the medical field. Hence the Iran-Russia agreement was no special innovation, especially as we had not had any appropriate economic relations in the previous 150 years. Now these relations have broadened.

My response to those who oppose such cooperation is that this cooperation will continue and endure. Russia will implement all its commitments in this regard and I have no doubt that we will make immense progress toward amicable cooperation. Unfortunately, the answer to your question was quite difficult for me, because I had to explain something that did not exist, something that is a figment of the sick imagination of a group of individuals.

Again I stress that there is nothing, but peaceful bilateral cooperation in the nuclear field. In answer to those who state that the bilateral agreements have hidden clauses, I say that anyone who wants to, can study them and be reassured that there is no such element in these agreements. Only the broadening of scientific and technical resources to develop Iran's economy is envisioned in these agreements.

As for the progress in work at the Bushehr Nuclear Power Station, the first consignment of equipment necessary for its completion has been dispatched. While

many minor issues, such as bank and financial guarantees and so on, need to be ironed out, these will be resolved as work progresses.

[ABRAR] While I am not aware of your assessment, I believe the West's opposition to peaceful nuclear bilateral cooperation is political. This opposition has roots in some economic factors as well. But if we view the issue from a political perspective, we will see the consequences of political bilateral cooperation in the region in future.

This is an issue that most Western countries do not favor and they are seeking to undermine this cooperation. What is your opinion in this regard?

[Mikhaylov] There are some major reasons for their opposition, one of which is, for example, oil and gas, which will only last for the next 50 years.

They have their eyes on these resources, while Russia is a country that has no such expectations regarding the oil and gas resources of your country or of the region.

[ABRAR] But we should point out that in Russia too there are some individuals who oppose such cooperation.

[Mikhaylov] Yes. Naturally there are such people in Russia. Incidentally, some even come to me and said: How can you permit the Iranians to utilize our nuclear energy? Our scientific know-how is different from theirs!

In answer, I can also ask: Why did you not think about this at the beginning of 1970, when you wanted to construct 23 nuclear reactors in Iran? I believe no one should thwart any nation or country from scientific and economic development.

[ABRAR] My other question pertains to the foundation for peaceful nuclear research proposed by the Russian Atomic Energy Ministry and expected to be constructed with the collaboration of Russia, the PRC, India, and Iran. To what extent has the work progressed and what are the objectives that it will pursue?

[Mikhaylov] I am not working on that project, as it has currently run into financial difficulties. The foundation for peaceful nuclear research was the brainchild of academician Valikhov so that a Russian-Asian reactor would be constructed. But since this plan required enormous financial resources, it has not yet been implemented.

But there is another nuclear project by the name of (?ICAR), which is expected to be implemented jointly by the United States, Russia, the European Union, and Japan. It has encountered a plethora of financial difficulties due to lack of funding. Some lesser

installations, such as thermonuclear reactors, which are used for research, can be set up in Iran or any other country.

[ABRAR] What is the extent of the safety coefficient of the Bushehr power plant to be built by Russian experts?

[Mikhaylov] As for the safety coefficient of the Russian nuclear plants, according to the world union of nuclear power plants, Russian nuclear power plants are among the best of their kind. This information was disseminated at the G-7 conference in Moscow in April, when French President Jacques Chirac said that in the previous four years Russia had carried out measures to minimize any accidents of any kind in these power plants. ([ABRAR note:] Here Mikhaylov laughingly said: "Knock on wood so that our power plants are safe from the evil eye.")

As regards the Bushehr power plant, we are studying the materials to be used with extreme care so that the safety coefficient will be even higher than the world standard. If other countries express concern they can send in their experts and check the situation.

Here I wish to assure the Iranian people that they should not have any kind of anxiety regarding the completion of this power plant and instead should be glad that they will have a new source of energy at their disposal.

[ABRAR] Are you satisfied with the pace of progress at the Bushehr Power Plant?

[Mikhaylov] Well, in the agreements, which also have an economic aspect, differences are expected to crop up. Since I personally wish to see the swift completion of the work at the Bushehr Power Plant, you Iranians should demand the same. The buyer and seller always have minor differences. But eventually they find common ground. In general I am satisfied with the trend.

[ABRAR] After the power plant is completed will it be administered by an Iranian cadre?

[Mikhaylov] Yes. While the Bushehr Power Plant is being completed the technical personnel will be Iranians and will undergo training and gain the necessary expertise for its administration.

Of course, in the first few years a few Russian personnel will be present as overseers. In general you will have no problems, as there are numerous extremely proficient and specialized individuals in your country. One of them is Engineer Amrollahi, the head of the Iranian Atomic Energy Organization [IAEO], an eminent physicist.

[ABRAR] When the Bushehr Power Plant is complete does Russia intend to continue its nuclear cooperation with Iran?

[Mikhaylov] Currently, of the two reactors being constructed, one has a capacity of 1,000 megawatts. After that two other blocks with a capacity of 440 megawatts each will be built. Perhaps this cooperation will continue afterward.

[ABRAR] Is Russia cooperating with any other country except Iran in the nuclear field? If your answer is positive, what are the reasons for the United States' extreme sensitivity toward Russian-Iranian cooperation?

[Mikhaylov] Your country has an Islamic ideology, which does not accept Western values. If there is any opposition, it is against your country, not against any specific project.

As for the first part of your question, you should refer to the East European countries and Finland. The "Laviza" Power Plant in Finland is one of the best in the world. Currently we are cooperating with the PRC and India, and recently the Indonesian Government expressed its wish to build a nuclear power plant in the country.

Similarly, we are helping the Cuban Government complete a nuclear power plant.

[ABRAR] You were scheduled to visit Iran but this visit was postponed. Why?

[Mikhaylov] The delay was for two reasons. First, the G-7 summit session in Moscow in April, which was devoted to the issue of nuclear safety. Second, Russian President Boris Yeltsin was to visit the PRC. Both times I was part of the Russian delegation.

Now is election season in Russia but after that, in August and September, I will certainly visit Iran. Of course, if, before September, Boris Yeltsin visits Iran, you will see me there.

[ABRAR] If Yeltsin does not come to Iran?

[Mikhaylov] Whatever happens I will visit Iran!

**Russia: General Seeks Clarification of Troops' Status in Georgia**

LD0507140996 Moscow INTERFAX in English  
1341 GMT 5 Jul 96

[FBIS Transcribed Text] TBILISI, July 5 (Interfax) — Deputy Commander of Russian troops in Georgia Maj. Gen. Vasily Belchenko has expressed the hope that talks on the legal status of Russian troops in Georgia will resume in the near future.

From the legal point of view, the Russian troops do not have a legitimate basis in Georgia because neither the Georgian parliament nor the Russian Duma have ratified the treaty on the issue signed by the countries' presidents on February 3, 1993, he told a news conference in Tbilisi Friday.

The planned opening of four Russian military bases in Georgia will significantly raise the troops' efficiency, without increasing spending on their maintenance in the country, said Belchenko.

He also said that talks are currently under way on Georgia ceding to Russia a part of its heavy armaments quota under the Conventional Forces in Europe treaty. "Such an agreement has been reached at the interdepartmental level, but the final decisions on a revision of the quotas are up to the parliament and president of Georgia," said Belchenko.

Such an agreement would be very beneficial for Georgia, he said, because in exchange Russia pledges to provide modern armaments for the Georgian army.

Belchenko would not specify what part of Georgia's heavy armaments quota Russia expects to receive.



**Political Issues****Russia: Yeltsin Returns to 'Normal Workload' 5 Jul**

AU0507161596 Paris AFP in English  
1558 GMT 5 Jul 96

[By Sebastian Smith]

[FBIS Transcribed Excerpt] Moscow, July 5 (AFP) — Russian President Boris Yeltsin, whose election victory was clouded by health worries, returned to a normal workload Friday but was still not meeting officials face-to-face, a Kremlin spokesman told AFP.

Meanwhile, amid signs of a looming power struggle in the Kremlin, Yeltsin campaign aide Anatoliy Chubays warned against giving new national security advisor Alexander Lebed extra powers over social and economic issues.

Yeltsin, who sparked fears for his health by almost disappearing from the public eye in the final days before Wednesday's run-off election, began work at the Kremlin at 8:00 a.m., his spokesman said.

Yeltsin's workload was back to normal, he added.

Yeltsin held a telephone conference call with the foreign, defense, interior and secret service ministers, as Prime Minister Viktor Chernomyrdin began work to form a new government.

However, Yeltsin, 65, was holding no meetings, only "working on documents," the spokesman said. His weekend plans were not being made public.

Yeltsin, who had two mild heart attacks last year, has not appeared in public for nine days, apart from short, pre-recorded television statements.

Officials said he was suffering from a lost voice and a cold.

He voted away from the press on Wednesday and on Thursday made a televised statement to the nation once it was clear he had won re-election. [passage omitted]

**Russia: Yeltsin Orders Government To Discuss Delay Fulfilling Decrees**

LD0807052096 Moscow Mayak Radio Network  
in Russian 0100 GMT 8 Jul 96

[FBIS Translated Text] Boris Yeltsin has instructed Viktor Chernomyrdin to hold an expanded session of the government to clarify the reasons why the president's decrees, orders, and instructions have not been fulfilled or have not been fulfilled in good time. Head of administration Nikolay Yegorov has been made personally responsible for justification of decisions to postpone the deadlines for fulfillment of the president's instructions.

**Russia: Yeltsin, Lebed Discuss Crime, Corruption in Moscow**

LD0807084696 Moscow Radio Rossii Network  
in Russian 0800 GMT 8 Jul 96

[FBIS Translated Text] Russian President Boris Yeltsin today discussed the questions of fighting corruption and crime in Moscow and Moscow region with Aleksandr Lebed, secretary of the Russian Security Council.

**Russia: Yeltsin Approves Security Council Draft Objectives**

LD0807094896 Moscow ITAR-TASS World Service  
in Russian 0905 GMT 8 Jul 96

[By ITAR-TASS correspondent Andrey Shtorkh]

[FBIS Translated Text] Moscow, 8 Jul (Itar-Tass) — Russian President Boris Yeltsin and Aleksandr Lebed, secretary of the Security Council of the Russian Federation and aide to the head of state on national security, today discussed the concept and main objectives of the work of the Security Council of the Russian Federation.

The draft provisions on the Security Council, prepared on the instructions of the president, were examined during the working meeting. Boris Yeltsin, as a whole, approved the version of the document presented to him and instructed Aleksandr Lebed to prepare it for signing, the press service of the president said.

The working meetings of the Russian president with his aide on national security is held every week on Mondays.

**Russia: Yeltsin Merges SBP, FSO Into State Protection Service**

MK0607071496 Moscow MOSKOVSKIY  
KOMSOMOLETS in Russian 5 Jul 96 p 1

[Unattributed report: "On Election Day, the Presidential Security Service Had Its Communication Lines Disabled"]

[FBIS Translated Text] Under Boris Yeltsin's edict the Federal Protection Service [FSO] and the Presidential Security Service [SBP] have been merged into one State Protection Service [SGO].

According to our sources at this, now single, service, Boris Yeltsin signed the edict "On Measures To Improve the Activity of State Protection Agencies" on 2 July. Under this document, the SBP has been incorporated into the FSO and placed under the jurisdiction of its leadership. Prior to this, the situation was exactly the opposite. Day-to-day operation of both services was administered by the SBP. For the time being Lt.

Gen. Yuriy Krapivin will be the acting chief of the new structure. Incidentally, in the past two days some of the SBP's general-access and special phone lines were disconnected. Introduced in January 1996, the all-city telephone exchange "ATS-910" and the special exchange "ATS-9" did not operate for more than two days.

**Russia: Chernomyrdin To Analyze, Implement Law-Enforcement Measures**

LD0507135396 Moscow ITAR-TASS in English  
1238 GMT 5 Jul 96

[FBIS Transcribed Text] MOSCOW, July 5 (Itar-Tass) — President Yeltsin has assigned Prime Minister Viktor Chernomyrdin to analyze and implement measures for putting into effect the proposals of the coordinating conference of heads of law enforcement agencies of Russia, connected with financial, material and technical support for the struggle against crime, directed against people's lives and health.

According to a report of the press service of the President, received by Itar-Tass today, the instruction was given to Chernomyrdin in connection with the appeal of participants in the conference to the President to help the with the solution of a number of problems, specifically, by improving material, technical and organising support for investigating and criminological units of public prosecutor's offices.

**Russia: Lebed Says Government Formation Is Premier's Work**

LD0607133596 Moscow Russian Public Television  
First Channel Network in Russian 1100 GMT 6 Jul 96

[From the "Novosti" newscast]

[FBIS Translated Text] Aleksandr Lebed, secretary of the Security Council of Russia met today with the leadership of the Ministry of the Russian Federation for Emergency Situations. Lebed discussed with them the situation in the country, this department's problems, and checked the degree of readiness of the Ministry for Civil Defense, Emergencies, and Natural Disasters for implementing its tasks.

[Vladimir Solovev] Journalists were not allowed at the meeting but we learned that Lebed called the Ministry for Emergency Situations the young shoot of future commonsense, and highly assessed the work of Russian rescuers.

[Begin Lebed recording] On the territory of the country, unfortunately, there are many potentially dangerous sites — totally ruined factories, atomic power stations, cracked dykes, oil terminals. There is therefore such a

need. There is a need for equipping and maintaining these forces in a considerably high level of military readiness. I have known the ministry for a long time. They do not get all worked up about anything here, they do not make a fuss about anything here, they just get on with their work. It should be like this in the whole country."

[Begin recording] [Solovev] Aleksandr Ivanovich. Western agencies are reporting that you have your own proposals on the composition of the government. Is this true?

[Lebed] Work on the formation of a government is the work of the prime minister.

[Solovev] Then it is idle talk.

[Lebed] It is idle talk. The power structures are my responsibility. I am examining and developing the situation, I am holding many meetings, gathering information, carrying out analysis, generalization.... [end recording]

[Solovev] According to Lebed the appointment of the new defense minister is a creative affair and he will resolve this issue soon, together with the president. [video shows conference room, the interior of an office equipped with computers, Lebed talking to journalists, Lebed in the aforementioned office]

**Russia: Lebed Denies Friction Exists With Chernomyrdin**

LD0607135196 Moscow ITAR-TASS World Service  
in Russian 1250 GMT 6 Jul 96

[By ITAR-TASS correspondent Mikhail Shevtsov]

[FBIS Translated Text] MOSCOW, 6 Jul (Itar-Tass) — "The formation of the new Russian government is the responsibility of the prime minister, but the appointment of power-wielding ministers must be agreed with me," Aleksandr Lebed said today. He was answering a question from an ITAR-TASS correspondent after his meeting with Sergey Shoygu, the Russian emergencies minister.

Asked when the new defense minister would be appointed, the secretary of the Security Council and assistant to the Russian president said that he would discuss this question with the president. "When we reach a decision, we will make an announcement. At the moment I do not wish to discuss candidates for the post of defence minister," Aleksandr Lebed said.

Asked about the possibility of his visiting Chechnya and the Dniester region, Lebed noted: "At the moment I am studying the situation, getting to grips with it. I am

holding numerous consultations, collecting information on various subjects and analyzing it. Before I go anywhere, I have to know what the situation is there. I have to go there with specific proposals and decisions on problems. It's no good just expressing condolences to somebody." The secretary of the Security Council and assistant to the president also stressed that he would have a "colossal amount of work" to do in his new post.

Commenting on Friday's statement by Justice Minister Valentin Kovalev, that he would be "keeping an eye on the activities of the Security Council," Aleksandr Lebed remarked: "I will be accountable just like other ministers. If somebody does not know what it means to be accountable, then the job is too big for him. We have too many supervisors and overseers. That's why Russia is in such a mess. Everybody will be accountable for their jobs, titles and posts. But there is too much supervision."

Reacting to claims in the press that his relationship with Prime Minister Viktor Chernomyrdin has deteriorated, Aleksandr Lebed said: "There are no differences between us. We've each got our own job to do. Everything is all right."

Referring to the corruption allegations made in the State Duma against a number of top-ranking officers at the Russian Ministry of Defense by Lev Rokhlin, chairman of the Defense Committee, Aleksandr Lebed stressed: "I do not intend to comment on individual pronouncements made by politicians." However, he added that at some stage "appropriate conclusions will be drawn" from this evidence.

#### **Russia: Lebed Meets Leaders at Ministry of Emergency Situations**

LD0607084096 Moscow INTERFAX in English  
0817 GMT 6 Jul 96

[FBIS Transcribed Text] MOSCOW, July 6 (Interfax) — The Secretary of Russia's Security Council and presidential national security adviser Aleksandr Lebed conferred with the leaders of the Ministry of Emergency Situations in Moscow on Saturday, a spokesman for Lebed's press service told Interfax.

The meeting was aimed at reviewing the ministry's work in general, the spokesman said. Lebed discussed the state of affairs in the country and problems faced by the ministry, and checked up how the ministry was prepared to accomplish its tasks.

"Lebed is not planning to make any trips in the near future," the source said.

#### **Russia: Lebed, Mayor Luzhkov Discuss Preparing Anti-Crime Edict**

LD0507153296 Moscow INFORMATSIONNOYE  
AGENTSTVO EKHO MOSKVY in Russian  
1425 GMT 5 Jul 96

[FBIS Translated Text] Preparations for a Russian presidential edict on combating organized crime were discussed today at a meeting between Moscow Mayor Yuriy Luzhkov and Security Council Secretary Aleksandr Lebed.

The mayor's office told Ekho Moskvyy that the president's edict should be ready by 8 July.

Russian Interior Minister Anatoliy Kulikov and the leadership of the Moscow militia also attended the meeting.

#### **Russia: Chubays Against Passing Economic Powers to Security Council**

LD0507140096 Moscow INTERFAX in English  
1336 GMT 5 Jul 96

[FBIS Transcribed Text] MOSCOW, July 5 (Interfax) — Anatoliy Chubays, formerly Russian first deputy prime minister and a campaigner for Russian President Boris Yeltsin, believes that economic powers should not be passed over from the government to the Russian Security Council.

"During the last four to five years, the key economic functions have belonged to the government, where they should remain," Chubays said.

"It will be a very serious error if the Russian Security Council begins to assume any serious economic functions," he said.

This would result in "the most serious economic repercussions," Chubays went on to say.

Nevertheless, there is a realistic chance of Russian Security Council Secretary Aleksandr Lebed and Prime Minister Viktor Chernomyrdin finding a common language, he said. "I believe in this because I know both of them very well. Regardless of difficult characters, there is something more that I think will bring these (two) people together," Chubays said.

"At the same time, I understand the massive claims regarding Lebed's recent statements well," Chubays said, adding that Lebed's statements were "perfectly resolute," but "with regard to the balance and depth (of the statements) there are, as they said in Soviet times, 'particular drawbacks.'"



When asked about his possible part in the official structures, Chubays said he would not join governmental or presidential structures in the foreseeable future.

"I will heal privatized companies," he said, adding that "there is now a gigantic demand for specialists in this area."

Regarding the economic situation in the wake of the presidential elections, Chubays said he believed that those foreign investors who take a cautious wait-and-see stand would miss out on large profits.

"They will just be left behind in the competition unleashed late during the night of July 3-4," he said.

"I expect a sharp rise in investments," added Chubays, who was formerly in charge of privatization within the government.

With regard to currency regulations, he said that the limits on the inclined ruble corridor set by the government and Central Bank for the period starting from July 1 would be strictly respected. "There will be nothing unexpected," he added.

At present, there are no circumstances which could cause a banking crisis, the danger of which existed during the period of the active suppression of inflation, Chubays said.

Regarding the banking crisis that hit Russia on August 24, 1995, he said that "the scale of the disaster was not then obvious over 24 hours.

"But this turned out precisely to be a crisis: the Russian banking system itself was not destroyed," Chubays said.

He said that he saw "the Central Bank's professionals" as guarantors against the recurrence of such a crisis.

**Russia: Former Presidential Hopeful Fedorov Offered Health Minister Post**

LD0607154096 Moscow Mayak Radio Network in Russian 1500 GMT 6 Jul 96

[FBIS Translated Text] It has become known from sources in the State Duma that Stanislav Fedorov, deputy and director-general of the microsurgery eye institute, [contender in first round of Russian Federation presidential elections] has been offered the post of deputy prime minister of government in charge of high-tech industries and along with that of Minister of Health of Russia.

According to the source this issue was discussed at a meeting between Boris Yeltsin and Fedorov prior to the second round of elections. But the final decision will be taken next week.

**Russia: Security Council Under 'Strict Control' of Justice Ministry**

LD0507130796 Moscow ITAR-TASS in English 1213 GMT 5 Jul 96

[By Gennadiy Yezhov]

[FBIS Transcribed Text] MOSCOW, July 5 (Itar-Tass) — The work of the Russian Security Council, which is being reorganised, and of its new secretary Aleksandr Lebed for stepping up the struggle against crime and corruption "will be under strict control of the Ministry of Justice," Minister of Justice Valentin Kovalev said today at a press conference in the Government House, responding to a question of Tass. Kovalev, who is also a member of the Security Council, explained that "there are several rather effective ways of influencing final decisions of the Security Council in the sphere of the anti-crime struggle."

He mentioned two of them. First, the federal programme of the anti-crime struggle for 1996-1997, which was adopted officially, made the Ministry of Justice the chief institution, responsible to the implementation of many of its items. Second, an interdepartmental commission for public security and the struggle against crime and corruption, headed by the Minister of Justice, is permanently functioning under the Security Council. According to Kovalev, the commission discusses and examines, including with due account for international practices, all documents and resolutions, which are to be submitted for the consideration of the Security Council.

**Russia: Yavlinskiy Said 'Still on the Carpet'**

MM0507150396 Moscow IZVESTIYA in Russian 6 Jul 96 p 2

[Article by Stepan Kiselev: "Twice-Failed Yavlinskiy Still on the Carpet"]

[FBIS Translated Text] The question about members of the new government was raised the day after the election. "I cannot understand this, why are you on about Yavlinskiy all the time?" — this was the question with which Viktor Chernomyrdin answered the journalists. "Has he achieved anything? The 500 Days? They passed by. Thank God, they passed unnoticed."

People in the Kremlin are also convinced that Grigori Yavlinskiy has failed twice — both in the first and in the second round of the presidential election. At least, as eyewitnesses assert, when the talk turned round to Yabloko's leader at the president's election campaign headquarters in the night of 3-4 July, people from Yeltsin's team spoke of him with undisguised annoyance and the mildest remark was: "He has once

more proved too clever for his own good." Nobody there made any secret of the fact that, until the very last moment, they were expecting just one thing from Yavlinskiy: A public appeal to his voters to vote for the president. It did not happen. Now it would make sense to describe, albeit briefly, the course of events during the last week before the second round of the election.

It is well known that, after the Yabloko Congress sent to the president five questions which needed clarification, Boris Yeltsin telephoned Grigoriy Yavlinskiy: He recognized the validity of the questions he had been asked and invited his opponent for a meeting.

The meeting, which had been scheduled for last Sunday [30 June] at the president's out-of-town residence, was being prepared by the president's first aide. But the illness set in. Whether vocal cords, bronchitis, angina, or influenza — the diagnosis of the "top-level illness" is a matter for the conscience of the presidential apparatus. The main point is that the Yeltsin-Yavlinskiy meeting simply did not take place.

The democratic opposition leader was invited by Viktor Ilyushin to the Kremlin. As IZVESTIYA's correspondent has learned from a very well informed source in the president's entourage, Yavlinskiy was told that a presidential edict could be signed that very evening appointing him first vice premier of the government in charge of the economic bloc of questions. Something happened at that point, which many observers from the president's entourage fail to comprehend: Yavlinskiy refused to accept this appointment before the election. His logic was evidently as follows: If the offer is nothing but an election campaign maneuver it makes no sense because it would be withdrawn after the election, and if Yeltsin is seriously prepared to revise his economic policy the offer would remain open even after the election. On the other hand, as Yavlinskiy told IZVESTIYA's correspondent later, "I do not think that my involvement in power, playing the role of an umbrella or a decoration, would be expedient."

The very first day after the election proved that Yavlinskiy's fears had not been in vain. Let me remind readers that, in his interview with INTERFAX, the president said about Yabloko's leader that, first, he had been invited to work together with Viktor Chernomyrdin on forming the government, and second, he was expected to participate in finalizing the constitutional law on the government. In other words, it appeared to have been assumed that, on the very next day after the election, Grigoriy Alekseyevich and Viktor Stepanovich would join forces in reforming the government. But the next day the prime minister was obviously annoyed and aggressive at the simple mention of his hypothetical first deputy.

This was particularly striking since, when asked about Gennadiy Zyuganov's participation in government, the premier replied highly placidly with words to the effect that apparently "everything is possible" and "provided the will is there." As if elaborating on the topic, that same evening Speaker Gennadiy Seleznev let it be understood that parliament's lower chamber would more than likely accept Viktor Chernomyrdin's candidacy for the post of new premier. How can such strange maneuvers be explained?

Grigoriy Yavlinskiy categorically refused to make any comment at all on the prime minister's aggressiveness toward him, justifying his refusal by claiming that what had happened had absolutely nothing to do with the essence of the matter. As for the essence....

"Our inclusion in the government is opposed by those members of the executive branch who would end up on the outside if this were to happen," Yavlinskiy said. "It is all very simple to explain: People who control access to the budget and to property are hanging on to their positions for dear life. We are also opposed by some major bankers who are now in financial difficulties and cannot even imagine surviving without access to budget funds. Furthermore, there are industrialists who enjoy great benefits granted by the government — more than 170 trillion rubles, according to Ministry of Finance estimates — and the withdrawal of these benefits would be a really major problem for them."

Of course, one can understand Viktor Chernomyrdin: No sooner had he, with God's help, gotten rid of the influential Soskovets, and the willful Yavlinskiy appears on the scene. Be that as it may, nonetheless everything today depends exclusively on the president's decision. What will it be? Judging by the fact that Chernomyrdin's outbursts against Yavlinskiy followed in the wake of his meeting with Yeltsin, it can be assumed that the question about Yavlinskiy has already been resolved "at the top." On the other hand, the president unequivocally declared in his address to Russia's citizens that politicians who had gained voters' support could expect to be involved in government.

But what is the point of guessing — the president's choice in the wake of the election will soon be revealed. It is just that the future of the office of first vice premier for the economic bloc of questions will be one sign indicating the nature of this choice and the policy of Russia's newly elected president.

**Russia: Medvedev Denies Democratic Coalition  
Accord With Belyayev**

*LD0507144696 Moscow INTERFAX in English  
1424 GMT 5 Jul 96*

[FBIS Transcribed Text] MOSCOW, July 5 (Interfax) — Vladimir Medvedev, coordinator of the Russian Regions factions in the State Duma, and deputies Svetlana Orlova and Oleg Morozov have refuted the statement made by Our Home Is Russia faction leader Sergey Belyayev that the two factions had signed an agreement on a democratic coalition.

They told a news conference in Moscow Friday that they are not satisfied with some of the provisions of the agreement drafted by Our Home.

The agreement does not state the coalition's intention to seek to depose the incumbent Duma speaker, they told journalists. The Russian Regions deputies say the Our Home faction is in too much of a hurry to form a democratic coalition, while it is necessary to work individually with each deputy not belonging to the leftist bloc made up of the Communist Party faction and its allies in the Agrarian and the Popular Rule factions, totalling up to 190 deputies.

"We are pragmatic, we want first to agree [on the coalition's creation] and then make statements for the press about it," said Medvedev. The main goal of the coalition is to normalize the legislative process, not to replace the Duma speaker, said the deputies.

At the same time they acknowledged that the work of Duma Chairman Gennadiy Seleznev of the Communist Party faction is criticized by many deputies not content with his authoritarian style and unsatisfactory preparation of full Duma sessions.

**Military Issues**

**Russia: Lebed Interviewed on Army, Military  
Reform, Cossacks**

*LD0707165096 Moscow Russian Public Television  
First Channel Network in Russian 0800 GMT 7 Jul 96*

[Interview with Aleksandr Lebed, secretary of the Russian Security Council, by unidentified correspondent; place and date not given — recorded; from the "Military Courier" program]

[FBIS Translated Text] [Lebed] All of us will have to work hard in all directions. Only by working hard, can we get out of the pit we have fallen into. It should be sensible labor, for our own benefit, today. This is applicable to our entire life. This is applicable to military reform.

We should first collect, collect all these and set the system going — stop thefts, disgraceful things, and the unjustified retention of funds. Naturally, not everything and not at once. However, it should be stopped in order to move ahead with reforms because even the best thought that is not backed up by finances is just a thought. Well, I am planning to begin with this problem and at the same time I will thoroughly plan military reform. We strike them with such fingers and break them up. [Lebed extends back of hand with spread fingers] The state should have a system that will be able to unite all these power structures in a single fist when needed. Therefore, this is one of the main issues that I am going to deal with. I have been working on this already.

Order will be restored in the Army. It will be an Army to be proud of; where you will not be afraid to send your sons; and which by the very fact of its existence, will eliminate any thought of aggression.

[Correspondent] Do you think that the Army should be contractual? Do you think that the Russian Army should be built on the mixed principle or some other principle?

[Lebed] It will be a mixed one. We are doomed to have it for at least some time. There are only two professional armies in the world. Even such highly developed countries as Germany and France cannot afford having a contractual, professional army.

[Correspondent] You were born in Novocherkassk, the capital of the Cossack movement. Are you supported by the Cossack movement? Will there be a further revival of the Cossack movement.

[Lebed] Are you talking about their support for me? Almost absolute. They are warriors. They are heirs to warriors. Precisely they should be used to build up the airborne and border guard units. They are people who have war in their blood. They are winners by nature. Well, we have to forget the misleading opinion that anyone can serve in the Army. Not everyone can serve in the Army. Not everyone can be a designer, pilot, or doctor. Those who are capable should serve in the Army. Winners and warriors should come to the Army. We will reach that stage.

**Russia: Grachev Reportedly Relaxing at Dacha  
'Outside Moscow'**

*LD0507211896 Moscow NTV in Russian  
1800 GMT 5 Jul 96*

[From the "Segodnya" newscast presented by Mikhail Osokin — no video available]

[FBIS Translated Text] According to the ARGUMENTY I FAKTY News Agency, the former defence



minister, Pavel Grachev is currently relaxing at a dacha somewhere outside Moscow. The agency reported today that Grachev intends going to the Fabritsius Sanatorium in Sochi in July or August. If the worst comes to the worst, he has a fine villa in Georgia which was a present from the Georgian defense minister.

**Russia: Army General Kobets Denies Duma Corruption Charge**

LD0507182696 Moscow INFORMATSIONNOYE  
AGENTSTVO EKHO MOSKVY in Russian  
1610 GMT 5 Jul 96

[FBIS Translated Text] Army General Konstantin Kobets, general inspector of the Russian Federation in the post of deputy minister of defense, lodged a protest against the statement by Gen. Lev Rokhlin and will soon present all documents showing that practically all the facts in the report by the Russian Federation State Duma Defense Committee chairman do not correspond to reality.

Konstantin Kobets told Ekho Moskvyy radio station that he is not guilty and that he acted in the interests of the Russian Federation Ministry of Defense.

**Russia: Rokhlin Backs Up Corruption Allegations in TV Interview**

LD0507204896 Moscow NTV in Russian  
1535 GMT 5 Jul 96

[Studio interview with Lieutenant General Lev Rokhlin, chairman of the State Duma Defense Committee, by Yevgeniy Kiselev on the "Hero of the Day" program — live]

[FBIS Translated Excerpt] [Kiselev] "Hero of the Day" is on the air again. This is Yevgeniy Kiselev in the studio. Good evening. The chief, the most striking event of the day, which has undoubtedly taken precedence over the discussion of the presidential election in Russia, is the sensational report made in the State Duma by the chairman of its Defense Committee, Lieutenant General Lev Rokhlin. [passage omitted].

We have General Lev Rokhlin live on our programme today. Be so kind as to tell us, Lev Yakovlevich, is your report based on the results of investigations by the auditing chamber into material published at the start of July by MOSKOVSKIY KOMSOMOLET? The article was called: The House That They Stole. Or did any additional material prompt you to speak today?

[Rokhlin] You do of course understand very well, Yevgeniy Alekseyevich, that I am not a child and I would have absolutely no right to make such a speech without proper without being certain and having

documentary proof of the truth of what I was saying. This article appeared three months ago, in April.

[Kiselev] In April. I said...

[Rokhlin, interrupting] April! [passage omitted]

[Kiselev] Could you have made your speech if Pavel Grachev had kept his post?

[Rokhlin] Beyond any doubt. You probably heard or maybe read my speech about the investigation into the 240 deaths in the 245th Regiment.

[Kiselev] Yes, indeed.

[Rokhlin] Pavel Sergeyevich was minister and I accused him to his face of being guilty of the deaths of those soldiers since he had not carried out reform, had failed to retain combat-ready units, and sent untrained soldiers into battle. That regiment was doomed to suffer losses because it arrived without tactical preparation or anything else. For that reason, I had no hesitation in speaking out after I received the documents on 2 [July].

[Kiselev] Colonel General Vasilii Vorobyev, the former head of the Chief Directorate of the Military Budget and Financing for the Defence Ministry, lost no time today in saying, and I quote, that you had been duped into conveying unconfirmed information from the tribune. And he said that he intended to sue you.

[Rokhlin, lifting sheaf of documents off table] Here are the documents. They say "Auditor, Auditing Chamber." The name of the addressee has been removed. I will confirm every fact.

[Kiselev] Including every fact affecting General Vorobyev in person?

[Rokhlin] Of course. If there is a need for it I will read them out.

[Kiselev] Feel free.

[Rokhlin] [passage omitted]

[Kiselev] Well, about Grachev himself. You used some very tough language: Grachev wallowed in corruption, surrounded himself with thieves, and so on. [words indistinct as Kiselev and Rokhlin speak simultaneously]. Is there any material about his personal corruptness?

[Rokhlin] In order to say if Grachev did or didn't know you need to have documents. I am not saying if he benefited or not. I am asking did he or didn't he know [sifts through documents, produces paper and reads out loud:] Defence Ministry of Russian Federation, General of the Army Grachev. You agree it's his signature, yes?

[Kiselev] What's it about?

[Rokhlin] He is approving the firm which failed to deliver to servicemen — which stole the house, so to speak — and is signing a new contract now for 6,000 apartments.

[Kiselev] And this contract covers the transfer of the money?

[Rokhlin] Over a billion in today's terms. [passage omitted]

And Pavel Sergeyevich [Grachev] writes — agreed, agreed. [passage omitted]

I don't intend judging the procurator or accusing him of anything. Certainly not. It's just that, again, the aim of hearing the chief military procurator is to know how we can help, how we can change the state of affairs, how we can prevent such things in the future, how we can prevent the replacements thinking that they are at a feast in a time of plague, that they can do whatever they like for tomorrow they die.

[Kiselev] So who are the replacements? It seems that today you backed the candidate for defense minister chosen by Aleksandr Lebed, Colonel General Igor Rodionov. Is that so? Yes?

[Rokhlin] I believe that it is a great mistake to ascribe the candidacy of Igor Nikolayevich Rodionov to Lebed.

[Kiselev] Why?

[Rokhlin] I, for example, knew that Boris Nikolayevich Yeltsin was viewing Igor Nikolayevich Rodionov as a candidate three months ago.

[Kiselev] Three months?

[Rokhlin] Three months. And knowing the possible candidacy, I think that Aleksandr Ivanovich Lebed has five fingers on his hand like I have [holds up hand]. You can choose the biggest of these five fingers. Our opinions coincided completely on the best choice but I believe that he knew for sure about Boris Nikolayevich Yeltsin's opinion that this was one of the candidates being considered.

[Kiselev] Are there others?

[Rokhlin] I can't say. I can only say who's worthy.

[Kiselev] Who's worthy, then? Many have named Gromov.

[Rokhlin] I thought the chief of the general staff and Andrey Kokoshin and Mironov and Gromov.

[Kiselev] Worthy candidates?

[Rokhlin] To an extent but among the worthy there is always the best.

[Kiselev] You consider the best to be...?

[Rokhlin] I consider Rodionov to be the best.

[Kiselev] What do you think of Lebed? And what hopes, if any, do you place in him in his new capacity as secretary of the Security Council?

[Rokhlin] I think, or rather I believe, that Lebed has qualities which will help him do his work. He has ambition. It's a positive quality when you strain to get ahead and are ready to do anything to get there. He has willpower. He is certainly no fool. For this reason these qualities will help him to an extent but on the other hand he is in the most hopeless situation. He has been cornered. It's just not in his nature to fawn on people. He is left with a simple choice: Either he will fade into obscurity or he will achieve something.

[Kiselev] And you think that he will try to achieve something?

[Rokhlin] He has no choice. It's that simple.

[Kiselev] Well, then. Thank you for your replies, Lev Yakovlevich. Our airtime has reached its end. [passage omitted]

#### **Russia: Airborne Commander: Rokhlin Trying To Rehabilitate Himself**

LD0707194496 Moscow NTV in Russian  
1700 GMT 7 Jul 96

[From the "Itogi" program]

[FBIS Translated Excerpt] General Lev Rokhlin, the head of the State Duma Defense Committee, the man who commanded the Northern Group of the federal forces during the assault on Grozny and then became head of the State Duma Committee, this week revealed sensational information about corruption among the upper echelons of the Defense Ministry.

[Correspondent Koltsov] [passage omitted] It is far from clear why Vladimir Semenov, the commander of land forces, and Yevgeniy Podkolzin, the commander of the paratroops, came under fire. Evidently someone considered them too loyal to Pavel Grachev. However, since we are talking about real professionals here, Rokhlin confined himself to reproaching them for paying insufficient attention to the Chechen conflict. Despite the fact that their subunits are fighting in Chechnya, they have never gone there.

In a telephone interview for our program, Yevgeniy Podkolzin, the commander of the airborne assault forces, attributed Rokhlin's speech to his desire to rehabilitate himself after the events of Chechnya. In Podkolzin's opinion, Rokhlin should end the war in

Chechnya by being there, since he bears responsibility for the deaths of soldiers of the 31st Brigade during the assault on Grozny in the winter of '95. As for visiting Chechnya, then Podkolzin said he had always been against taking part in operations by the airborne forces, and since only battalions of the airborne assault forces are fighting in Chechnya the people to command them were there.

Podkolzin did not manage to meet an NTV camera team since he was flying to the territory of the former Yugoslavia. Russian paratroops, incidentally, are serving in battalions there, too. [passage omitted]

#### **Russia: Commentary Notes Struggle Within Defense Ministry**

LD0507125796 Moscow Radiostantsiya Ekho Moskv  
in Russian 1020 GMT 5 Jul 96

[Commentary by correspondent Aleksey Venediktov]

[FBIS Translated Text] A sensational statement made by Lev Rokhlin, chairman of the State Duma Defense Committee and an influential member of the Our Home Is Russia faction, is only natural, taking into account the struggle which is going on at present at the power-wielding departments for the post of the defense minister.

So, what has General Rokhlin said in particular? First, former Defense Minister Pavel Grachev has been accused of corruption and of surrounding himself with spongers and thieves. Second, at present some of these people still remain in power at the Defense Ministry. The main culprit is Army General Konstantin Kobets, who is involved in fraud. Let us remark — in brackets — that Kobets is one of the contenders for the post of defense minister. Third, warlords who are not good at managing the troops still remain at the Ministry, in particular Yevgeniy Podkolzin, commander of the airborne forces, and Vladimir Semenov, commander in chief of the land forces, who have sent their soldiers to Chechnya but who themselves have never been there.

Let us again remark — in brackets — that Commander Semenov is another contender to the ministerial post. Rokhlin believes that, to bring the army to order, the following is required:

1. To appoint Colonel General Igor Rodionov as defense minister;
2. To set up a military council under the Security Council and make all power-wielding structures subordinate to it.

This is a feather from Lebed's wing [play on words; Lebed in Russian means swan]. It goes without saying

that the secretary of the Security Council is standing behind this statement by Lev Rokhlin. Moreover, in exchange for passing this law on the military council, its initiators are ready to allow the Duma to endorse the power-wielding ministers in their posts. Let me remind you that at present the Duma endorses the prime minister only and the president appoints ministers. As has become known to us, Igor Rodionov visited the State Duma yesterday and met both Lev Rokhlin and Aleksandr Lebed.

What makes the chairman of the Defense Committee make such a sharp and hasty statement? Why have the Communists in the shape of Anatoliy Lukyanov, and the Zhirinovskiy camp in the shape of Vladimir Volfovich Zhirinovskiy, so actively supported one of the leaders of the Chernomyrdin faction? This concerns both General Rodionov and the draft law on the Security Council and the Military Council.

This is why they did it: After the victory of the president at the elections, the scope of activities of Aleksandr Ivanovich Lebed begins to shrink sharply. The possibility of expanding Lebed's powers has been criticized by the prime minister, who has just been entrusted by Yeltsin to head a new cabinet, that is, Yeltsin has expressed his confidence in Chernomyrdin. Lebed needs to retain the odds he was given at the start while joining the president's team between the two rounds of the presidential elections. At the same time, he has to confirm his independence of the head of state. He urgently needs to push his people into key posts. By giving way to the Duma on the right to reject unwanted or unliked ministers, Lebed in return wants to get a military council which will remove the power-wielding structures from under the president's direct control.

Well, if this plot falls through and nothing else comes of it, then Lev Rokhlin, who has offered himself, will be to blame. This is how it goes. The end of the first act.

#### **Russia: Gromov Urges Solution to 'Defense Capability' Problems**

MM0807082096 Moscow ROSSIYSKAYA GAZETA  
(DOM 1 OTECHESTVO Supplement) in Russian  
6-12 Jul 96 p 1

[Statement by Colonel General Boris Gromov: "Reveille!"]

[FBIS Translated Text] I hope that the highly professional team which Boris Yeltsin is currently forming will work very fruitfully for the good of our fatherland, not least in solving sore problems of defense capability.



So many problems have accumulated in this sphere that it is actually hard to say straight off what should be the starting point. The main thing is that we have an aim — to make the Army highly professional and well supplied with the latest military equipment by the year 2000. I think that it is high time for cadre reshuffles in the Ministry of Defense, and these are in line with general strategy. Only the form of the replacement of the top military cadres can be questioned; essentially everything is being done correctly. Here too a new team must be selected which will be capable of getting involved in real military reform and the competent military organizational development of the Russian Armed Forces.

As for the increasing role of the Security Council and its new chairman in resolving military issues, the whole reason why the Security Council was created was to help the president solve the most complex tasks in the best possible way. And if Lebed's enterprising projects are consonant with and develop Boris Nikolayevich's initiatives, then they can only be welcomed.

I have always believed in the sensible choice of the Russian people, and that means the inevitability of Boris Yeltsin's victory in this Russian presidential election. I congratulate Boris Yeltsin with all my heart on his deserved reelection for a second term. I hope that his supporters and associates do not sit back with their arms folded, but get involved most actively in the difficult but very interesting work of implementing the president's election program.

### Federal Assembly

#### Russia: Duma Speaker Seleznev Unlikely To Be Replaced

MM0807104596 Moscow IZVESTIYA in Russian  
6 Jul 96 p 2

[Report by Sergey Chugayev: "Duma Leaders Do Not Want Speaker Replaced"]

[FBIS Translated Text] The leaders of the leading parliamentary associations have taken a very skeptical attitude to the initiative, recently undertaken by S. Shakhrai, to mount a campaign for the removal of the State Duma speaker. In particular, in the opinion of representatives of the "Russia Is Our Home" [NDR] faction, Shakhrai should have consulted his "senior comrades" before advancing such an initiative.

At the same time, as IZVESTIYA's correspondent has learned, the process of forming a bloc of reforming associations, which the NDR faction has begun, is close to being completed. The bloc will most likely be named "Parliamentary Accord" ["Parlamentskoye Soglasie"]. The document on the bloc's creation has already been signed, as far as is known, by S. Belyayev, leader of

the NDR faction, and by V. Medvedev, leader of the "Russia's Regions" association. G. Yavlinskiy, who is vacillating as always, is also expected to sign. The Liberal Democratic Party of Russia has not been invited to join the bloc. The crux of the agreement is not a political union but a joint vote when laws are being adopted.

At the same time, as could be understood from conversations, the initiative to create the bloc certainly does not imply any interest in removing the State Duma speaker. On the contrary, it is believed that the results of the presidential election will push G. Seleznev toward more productive cooperation with proreform deputies' associations.

Thus, the task that Shakhrai has set himself — that of removing Seleznev and electing I. Rybkin as speaker — seems practically unrealizable. All right-wing and centrist factions are sharply opposed to the speaker's removal. Particularly "Yabloko." Shakhrai's initiative will hardly meet with support in the Communist Party of the Russian Federation faction either. It turns out that, theoretically, Shakhrai can count on the support of only one faction — V. Zhirinovskiy's.

#### Russia: Yeltsin Submits Conclusions on Federal Draft Bills

LD0507144796 Moscow ITAR-TASS in English  
1433 GMT 5 Jul 96

[FBIS Transcribed Text] MOSCOW, July 5 (ITAR-TASS) — Russian President Boris Yeltsin has submitted his conclusions to chairman of the State Duma on the federal draft bill "On federal budget for 1996." The president has made no essential proposals on addenda or amendments to the draft bill, the press service of the Russian president reported.

In another conclusion on the draft bill "On the state system ensuring the safety of flights of civil aircraft" the president pointed out that some articles of the draft bill do not conform to the Russian constitution, the existing legislature and contradict each other. Besides, the draft bill contains numerous technical and juridical errors and therefore, it requires substantial corrections, the press service reported.

The Russian president's conclusion on the federal draft bill "On drugs and psychotherapeutic substances" says that the draft bill deals with important problems ensuring people's health and tightening measures against drug trafficking and that its purpose is to eliminate flaws in the existing legislature. However, certain articles of the draft bill should be made more concrete and brought in line with the Constitution of the Russian Federation and the existing legislature, the president concluded.

A juridical analysis of the draft bill shows that the draft bill actually puts an equation mark between drugs

and psychotherapeutic substances, which equally bans their use and as a result of which lawsuits might be filed against a considerable number of people who take medicines for psychotherapeutic purposes.

A considerable number of articles contained in the draft bill have juridical, editing and terminological inaccuracies, the press service said.

**Russia: Yavlinskiy To Join Democratic Coalition In Duma**

LD0507191296 Moscow ITAR-TASS in English  
1215 GMT 5 Jul 96

[By Igor Zhukov]

[FBIS Transcribed Text] BUCHAREST [date not given] (ITAR-TASS) — Leader of the Yabloko group in the lower house of parliament Grigoriy Yavlinskiy, one of the ten contenders of the Russia presidency in this year's elections in Russia, today agreed in principle to join the democratic coalition which is being formed in the State Duma.

Sergey Belyayev, leader of another group in parliament, Russia Is Our Home told Itar-Tass that the coalition will also be joined by the members of parliament elected to the Duma on the individual, not party or movement, basis.

Belyayev did not rule out that the creation of a democratic (anti-Communist) opposition in the lower house of parliament, might necessitate a motion to replace the speaker.

**Russia: Duma Communists Say Their Defeat Is Not a Failure**

MK0607135196 Moscow NEZAVISIMAYA GAZETA  
in Russian 6 Jul 96 p 1

[Analysis by Ivan Rodin: "Duma Did Not Mark Yeltsin's Victory"]

[FBIS Translated Excerpt] [passage omitted] The absence of fake optimism or genuine gloom on the faces of Communists and other members of the people's-patriotic bloc in the Duma was quite understandable. Zyuganov's supporters acknowledged Boris Yeltsin's victory as a result of the expression of the will of the people, which they do not intend to challenge. They, however, disagree that this victory automatically means a defeat of their candidate. One can concur with them in principle: 30 million votes is a result never before attained by forces opposing the regime in this country.

Viktor Zorkaltsev, a CPRF [Communist Party of the Russian Federation] faction member, described this perception of Boris Yeltsin's victory in rather vivid terms. He thinks that failure could be much worse than defeat. In his words, a defeat in a struggle with a strong

opponent for a politician is "the same as scars on a duelist's face which only glamorize him." Therefore, Mr. Zorkaltsev believes, in a more unpleasant position are Yavlinskiy and Zhirinovskiy, who suffered a failure rather than a defeat. It is this that the Communist deputy cites as an explanation for what can be rather described as stupor that reigned in the Duma chamber yesterday than a lack of uplift.

Nor do the victor's supporters indulge in quiet and strictly private rejoicing. They are trying to be more useful to this victor, which is seen in their attempts to create a big anti-Communist coalition in the Duma. Presidential representative in the lower house Aleksandr Kotenkov stated to your NEZAVISIMAYA GAZETA correspondent that, although this work is being done not very hastily, it does not deviate from the right path. Incidentally, commenting on the Communists' sentiments and tribulations, Mr. Kotenkov came up with a snide observation that part of the deputies of this orientation had replaced the red flags with the "State Duma" inscription on them with pins where the backdrop for the same words is the Russian three-color flag.

Aleksandr Kotenkov advised that he personally spoke against creating in a hurry a big democratic coalition in the Duma and, more importantly, against its swift actions to replace the house speaker, for example. In his view, one has to secure a confident majority of the vote first. [passage omitted]

Incidentally, the presidential representative is confident that now the Duma, or, more accurately, its pro-Communist near-majority, will approve any premier to be proposed by the president, who has confirmed his legitimacy.

It is unlikely to approve any, CPRF faction spokesmen object to him vicariously. Although, for example, Duma security committee chairman Viktor Ilyukhin says that they do not care now about who is going to be candidate for premiership. Victor Zorkaltsev believes that Viktor Chernomyrdin and Yuriy Luzhkov, for that matter, would be rather suitable candidates and his faction could go for them. In Mr. Zorkaltsev's opinion, the situation where the present authority has secured voter confidence and representatives of the losing side are going to stop a premier chosen by the president could be described in a phrase: "He has married her but would not recognize her mother." Therefore, the deputy thinks (together with his many other fellow deputies who agree with him either publicly or silently), the winning team ought to be given a chance to act on its campaign promises.

This approach can, of course, be called rather Jesuitical: Understandably, the Yeltsin administration would not

be able to fulfill all the promises, nor would it try to. As it has transpired from conversations with experts of the people's-patriotic bloc, the Communists mainly hope that the illusions, which were being instilled in the voters in an attempt to secure victory for Boris Yeltsin, would wear off in the fall, the majority of deputies would sooner mistrust the government than support it, at which time it would be possible to achieve its qualitative renovation. The Communists promise to neutralize the drawbacks of such a tactic — which primarily results from "the final defeat and complete surrender of the CPRF," according to a propagandist explanation on the part of television — which they would hardly be able to do.

It is also in order to note that there are some other views of the Communists' possibly Chernomyrdin. Aleksandr Kotenkov, for example, is confident: Yeltsin's too great a lead over Zyuganov dealt the finishing blow to the opposition.

**Russia: Duma Passes Bill Banning Propaganda of Fascism**

LD0507194396 Moscow ITAR-TASS in English  
1708 GMT 5 Jul 96

[By Igor Zhukov]

[FBIS Transcribed Text] MOSCOW, July 5 (ITAR-TASS) — The Russian State Duma on Friday passed a federal bill banning the propaganda of fascism in Russia.

The bill is based on international pacts on human rights and the major principles of the Russian Constitution.

The main task of the bill is to set up the legal mechanics of preventing and cutting short the propaganda of fascism in the Russian Federation, authors of the bill said.

It categorically bans any public activities aimed at spreading the propaganda of fascism and national intolerance. Besides, citizens, public organisations and state bodies should prevent such propaganda.

Russia's law enforcement agencies should do the bulk of work to prevent fascism. The Interior Ministry and its regional departments were instructed to extend official warnings to those engaged in the propaganda of fascism, according to the bill.

In case such activities are repeated, legal action will be brought against the perpetrators.

**Russia: Duma Passes Military Corruption Report to Prosecutor**

LD0507165896 Moscow ITAR-TASS in English  
1605 GMT 5 Jul 96

[By Pavel Kuznetsov]

[FBIS Transcribed Text] MOSCOW, July 5 (ITAR-TASS) — Russian lawmakers on Friday voted 301-0 for passing a military corruption report to the Public Prosecutor's office and summon the main military prosecutor to the State Duma to report on measures to stop financial abuse in the Defence Ministry.

Earlier on Friday, leading lawmaker and chairman of the State Duma defence committee Lev Rokhlin accused former Defence minister Pavel Grachev of corruption, saying the dismissed minister "has bogged down in corruption and surrounded himself with spongers and thieves".

General Rokhlin, who commanded the seizure of Grozny in January 1995, told the State Duma that Grachev had allowed "massive criminal embezzlements in the armed forces" and brought multi-million-dollar charges against five top generals allegedly responsible for that.

The lawmakers instructed the Accounting Chamber to audit the Military Insurance Company and the state-run Rosvooruzheniye military exporter through which at least 32 million dollars had been transferred into private hands, according to estimates disclosed by Rokhlin.

Also, the lower house ruled to set up a commission to examine the papers of an Accounting Chamber officer accused of deliberate concealment of unlawful housing schemes performed by one of the corrupted generals.

Earlier on Friday, a high-ranking official of the military prosecutor's office said "it was premature to speak about embezzlements" by top generals as investigation of their cases had not been completed yet. The source was speaking on condition of anonymity.

At the same time the military prosecutor's office issued a statement on Thursday in which it admitted that "the facts about law violations by officials of the Defence ministry are no secret" for it.

The State Duma will hear Main Military Prosecutor on July 19.

**Russia: Duma Passes Weapons Bill**

LD0507091796 Moscow INTERFAX in English  
0827 GMT 5 Jul 96

[FBIS Transcribed Text] MOSCOW, July 5 (INTERFAX) — The Russian State Duma passed in a 334-6



vote the Weapons Bill designed to regulate the turnover of self-defense, sporting, hunting and combat small arms and swords.

Under the bill, the manufacture of, trade in, collection and exhibition of weaponry would need licensing, an exception being made for the manufacture and acquisition of weaponry by state-run paramilitary organizations.

The bill specifies the rights and procedures of and restrictions on the purchasing and use of weapons by individuals and organizations "pursuing specific functions" and the regulations on the purchases and use of weapons by foreigners.

The bill would ban the bearing of arms for self-defense in public rallies, marches, picketing and other public events.

Mechanical sprayers and aerosol and other devices filled with tear or irritant gases, electric shock devices made in Russia and certain kinds of pneumatic weapons do not require registration or licensing.

### Regional Affairs

#### Russia: Army Commander in Chechnya To Be Replaced

AU0807093296 Paris AFP in English  
0916 GMT 8 Jul 96

[FBIS Transcribed Text] Moscow, July 8 (AFP) — The commander of Russian forces in Chechnya was to be replaced Monday under a decree signed by President Boris Yeltsin, the INTERFAX news agency said.

It quoted a source at the Russian command in Chechnya as saying General Vyacheslav Tikhomirov would be replaced by General Konstantin Pulikovskiy, until now deputy commander of Russian forces in the North Caucasus region.

A defence ministry spokesman told AFP he had no official word on such a change taking place Monday, but added that it was in fact planned and that it was nothing out of the ordinary.

Tikhomirov recently criticized peace talks under way with Chechen rebels, questioning whether they were worthwhile and accusing the guerrillas of stalling for time.

INTERFAX said Pulikovskiy was to take up his new position Monday in the capital Grozny.

#### Russia: New Federal Troops Commander To Arrive in Chechnya 8 Jul

LD0807082496 Moscow INTERFAX in English  
0650 GMT 8 Jul 96

[FBIS Transcribed Text] GROZNY, July 8 (Interfax) — A new commander of the Joint Federal Troops in Chechnya, Lt. General Konstantin Kulikovskiy is arriving in Grozny today, a Federal Command spokesman has reported, adding that Kulikovskiy's appointment has been decreed by President Boris Yeltsin.

"After the transfer of affairs to the new commander, the current commander, Lt. General Vyacheslav Tikhomirov is expected to get a new appointment," the source said, describing Tikhomirov's substitution as "planned."

Before his new job, Kulikovskiy was deputy commander of the North Caucasus Military District.

#### Russia: Zavgayev 'Ready' To Meet With Yandarbiyev

LD0707085996 Moscow INTERFAX in English  
0848 GMT 7 Jul 96

[FBIS Transcribed Text] MOSCOW, July 7 (Interfax) — Doku Zavgayev, Moscow-backed Head of the Chechen Republic, is ready for talks with Chechen separatist leader Zelimkhan Yandarbiyev.

"I am ready to meet with Yandarbiyev any time. The key point is that this should contribute to the establishment of peace in the republic," Zavgayev told Interfax on Sunday.

"A complete renouncement of the use of force is one of the key conditions for stabilizing the situation," Zavgayev said.

"All issues relating to the settlement of the (Chechen) conflict are Chechnya's interior affair, and the local government is fully responsible for them," he said.

The Russian presidential elections marked a turning point for Chechnya, he said. This was in fact "a referendum during which some 75 percent of the population who voted (in the Russian presidential elections) spoke out in favor of Chechnya being part of Russia," Zavgayev said.

Regarding the removal of military checkpoints on Chechen territory, Zavgayev said that "this is a problem within the authority of the Chechen government and military command that should be resolved according to current developments."

**Russia: Lebed Envoy Meets With Chechen Separatist Leaders**

LD0507115796 Moscow INTERFAX in English  
1102 GMT 7 Jul 96

[FBIS Transcribed Text] GROZNY, July 7 (Interfax) — Sergey Drogush, Russian Security Council Secretary Aleksandr Lebed's envoy to Chechnya, met with Chechen separatist leaders Sunday, an informed source in Grozny told Interfax.

The meeting is apparently held in a southern Chechen district, however its precise location is not known, said the source.

He said Chechen Security Council Secretary Ruslan Tsakayev went to the meeting together with Drogush.

Movladi Udugov, information minister in the Chechen separatist government, would not confirm or refute the information about the meeting.

Chechen rebel commander Aslan Maskhadov was expected to participate in the meeting.

A working group of the Russian Security Council arrived in Grozny Saturday [6 July], in particular to make preparations for Lebed's visit to Chechnya.

**Russia: Lebed Only To Meet Legally Elected Head of Chechnya**

LD0707124496 Moscow ITAR-TASS World Service  
in Russian 1126 GMT 7 Jul 96

[ITAR-TASS correspondent Andrey Surzhanskiy]

[FBIS Translated Text] Moscow, 7 July (ITAR-TASS) — During his forthcoming trip to Chechnya Aleksandr Lebed, aide to the president of the Russian Federation on national security and secretary of the Russian Security Council, "will only do business with Doku Zavgayev, legally elected head of the Chechen Republic". This has been stated by Yuriy Ursov, Lebed's official representative.

In a conversation with the ITAR-TASS correspondent today he said that "there has been no preliminary accords between the secretary of the Security Council and the leadership of the armed opposition about holding a meeting."

The ITAR-TASS correspondent has learned from the office of the Russian Federation Security Council that a meeting between Lebed and Zelimkhan Yandarbiyev, Dzhokhar Dudayev's successor, will only take place if Doku Zavgayev considers it useful.

The dates for Lebed's trip to Chechnya has not been specified yet.

**Russia: Lebed Outlines Settlement Plan for Chechnya**

LD0707214196 Moscow 2x2 Television in Russian  
1900 GMT 7 Jul 96

[FBIS Translated Text] If the people of Chechnya want freedom, it is going to start with freedom from the Russian budget, Russian Security Council Secretary Aleksandr Lebed said in an interview with the Brazilian newspaper JORNAL DO BRASIL. The interview was published today.

Lebed said the settlement plan for Chechnya should start with cessation of hostilities and the evacuation of Russian speakers. Then, he said, Russia has to be given back the two districts presented to Chechnya by Khrushchev in the 1950's. Only then, under Lebed's plan, should there be a referendum, in which each district will have to decide whether it wants to remain part of Russia.

**Russia: State Commission for Chechen Settlement Holds Meeting**

LD0607093996 Moscow ITAR-TASS World Service  
in Russian 0904 GMT 6 Jul 96

[By ITAR-TASS correspondent Andrey Varlamov]

[FBIS Translated Text] Moscow, 6 Jul (Itar-Tass) — Members of the Russian State Commission for a Settlement of the Chechen Crisis today held a working meeting in Moscow and discussed, in particular, "the draft of a detailed report" to be submitted "in the very future" to Viktor Chernomyrdin, head of the Russian Government and chairman of the State Commission, the ITAR-TASS correspondent has learned from Viktor Konnov, press secretary of the Russian prime minister.

Those attending the meeting were: First Deputy Prime Minister Oleg Lobov; Vyacheslav Mikhaylov, minister of nationalities and federal relations; Doku Zavgayev, head of the Chechen Republic; Sergey Stepashin, secretary of the State Commission; Nikolay Koshman, head of the Chechen Government; and Vladimir Strashko, deputy of the Russian president's plenipotentiary representative in Chechnya.

**Russia: Chechens Expect Firm Sign of Commitment to Peace by 7 Jul**

AU0507155196 Paris AFP in English  
1537 GMT 5 Jul 96

[By Isabelle Astigarraga]

[FBIS Transcribed Text] Southeastern Chechnya, Russia, July 5 (AFP) — Chechen rebels said Friday they expected a firm sign by Sunday [7 July] that Moscow

was committed to a peace accord signed last month, otherwise fighting could resume.

"All will be clear Sunday. The accord signed in Nazran on June 10 stipulates that the Russians must dismantle all roadblocks at the entrances to villages by July 7," said Mayarbek Machagayev, spokesman for Chechen rebel chief of staff Aslan Maskhadov.

"If the roadblocks are still there Sunday evening we will consider ourselves free of any commitment," he told AFP.

In an interview on clandestine Chechen rebel television, Maskhadov warned that if there was no positive gesture from the Russians in the coming days the 18-month war could resume in the breakaway north Caucasus republic.

During Russia's presidential elections, won by President Boris Yeltsin in a run-off against Communist challenger Gennadiy Zyuganov on Wednesday, the rebels refrained from any major provocations.

The separatists and their supporters boycotted the polls held in Chechnya.

"If the Russians remove the roadblocks as promised, if they close the filtration camps as set out in the Moscow accord (signed on May 27), I will be able to restrain those who are waiting fully armed," Maskhadov said.

"But if bombers continue flying over our villages, as they are doing now, and if the roadblocks stay in place, the negotiations will be meaningless," he said.

Russian troops marched into Chechnya in December 1994 to crush a three-year independence drive, sparking a war that has claimed more than 40,000 lives, most of them civilians.

The June peace accord does not address the key issue that started the war — the Chechen rebels' demand for independence.

Machagayev said the Russian peace negotiators had been informed that rebel field commanders could reignite the war if nothing happened by Sunday.

Most of the rebel commanders opposed the peace talks in Moscow, saying they were just a pre-election manoeuvre by Yeltsin aimed at winning votes.

"If the Russians ask us for a delay to remove the roadblocks we will allow that, but if by Sunday night we have had no sign from Moscow and the posts are still there the (rebel) military commanders will be free to act as they see fit," Machagayev said.

However, he stressed that the rebels still wanted to believe that peace was possible and he hinted that

Maskhadov could try to hold back his forces a little longer.

The rebels may give Yeltsin's new national security advisor Alexander Lebed time to visit Chechnya, as he has promised.

Lebed, a retired general who has condemned the war, has vowed to tackle the Chechnya quagmire in his capacity as secretary of the powerful Russian Security Council.

Maskhadov and Chechen rebel leader Zelimkhan Yandarbiyev have stated their readiness to hold talks with Lebed provided the meeting does not take place in the devastated Chechen capital Grozny, where a Russian-installed Chechen government claims to be the legitimate authority.

"If he wants to come here and talk to us, that's great," Yandarbiyev told AFP Thursday.

"Lebed is the most realistic of Russian politicians on Chechnya. For us the most important thing is that there should be no more Russian soldiers."

Maskhadov Friday protested that the Russian peace delegation consisted of officials whom the rebels' considered responsible for the war, notably Nationalities Minister Vyacheslav Mikhaylov and former Federal Security Service (FSB) chief Sergey Stepashin.

"People who don't have blood on their hands are required. As long as Moscow does not change its delegation no peace is possible, the war will continue," Maskhadov said.

High-level negotiations, which were due to resume this week, were suspended on the initiative of the rebels, who said they were pointless before Sunday.

Meanwhile working groups met to discuss prisoner exchanges.

Both sides have accused each other regularly of violating the ceasefire reached between Yandarbiyev and Yeltsin in the Kremlin at the end of May.

#### **Russia: 245th Regiment Returns to Home Garrison From Chechnya**

MM0807085596 Moscow KRSNAYA ZVEZDA  
in Russian 5 Jul 96 p 1

[Report by Colonel Aleksandr Oliynik: "Warm Them With Your Heat, Russia! The 245th Motorized Rifle Has Returned to Its Home Garrison From Chechnya"]

[FBIS Translated Text] When the military train appeared on the line near Mulino and gave a long blast on



its whistle, it seemed to me for a moment that its piercing sound would carry to all the cities and villages of Russia, announcing the return from Chechnya of Russia's sons who have performed their military duty. A few minutes later shouts of joy could be heard drowning out the military band on the platform:

"Hello, son!" a gray-haired woman said, wiping away her tears.

"Can you see me, daddy?" a little boy cried, breaking free from a young woman's arms.

In the open windows of the cars you could see the flushed faces of the officers and men. At that moment each of them was probably thinking about those men who would never return to Russia's birches or embrace a mother, wife, or son....

By all political and military criteria, this is no ordinary homecoming. The Russian side's goodwill gesture was made against the background of the appalling obstinacy of separatists who are continuing the shelling and acts of provocation against the federal forces in Chechnya. As a result the planned phased withdrawal of the 245th Motorized Rifle Regiment was postponed several times.

But in purely human terms, too, this is no simple homecoming for the men of the motorized rifle regiment. It was from here that the regiment left for Chechnya in January 1995, after being rapidly expanded to wartime strength. It left without a military band or flowers. It set off into the alarming unknown. Neither Guard's Colonel Stanislav Morozov, its first commander, nor even less his 1,700 subordinates, most of whom were recruited from the Far East, could have imagined the severe tests that would befall the soldiers in the future nor the great losses that the unit would suffer as it performed the tasks of disarming the illegal armed formations on Chechnya's territory. Tragedy befell the 245th Motorized Rifle Regiment in April this year at Shatoy when gunmen lay in ambush and fired on the rear of the column. On that occasion 73 servicemen died, including 14 officers and warrant officers and 59 sergeants and men. During its stay in Chechnya the regiment lost a total of 231 men dead and 393 wounded.

But the regiment's record of history contains more than just the bitter figures of losses, of course. Guard's Lieutenant Colonel Sergey Yudin, the regiment's commander, acquainted me with information about the motorized riflemen's combat actions in Chechnya. Here are just a few facts.

During the time that it belonged to the interim forces the regiment took part in over 20 operations to isolate and destroy illegal bandit formations. It broke through the gunmen's defense in Grozny (in Prigorodnyy Rayon)

and stormed the population centers of Goty, Goyskoye, Arkhtan-Yurt, Veden, and Shatoy, actions conducted as a rule in the vanguard of the attacking troops. They conducted over 200 escort operations for convoys carrying humanitarian aid, bread, food, and fuel for Chechen civilians.

To date 294 members of the regiment have received orders and medals. The Order of Courage has been awarded to 62 officers and men and the Medal for Valor to 98. In all, over 700 men have been recommended for awards. The Russian president's latest award edict reached the regiment literally the day before the train left Chechnya. Admittedly, only seven men from the regiment were included in it. And unfortunately not a single one of them is on the regiment's rolls — the officers have been replaced and the contract soldiers have gone home.

Now, seven years after our troops' withdrawal from Afghanistan, KRASNAYA ZVEZDA is publishing at the Russian Union of Afghan Veterans' request lists of those people who were decorated but have still not received their combat award. The list runs to thousands. It seems that for the same reason they will soon be joined by those who have been decorated for performing their constitutional duty in Chechnya....

All the regiment's officers with whom I spoke during the meeting asked me to highlight in the newspaper such problems as the return home of those who are still languishing in captivity with the separatists. This bitter list contains the names of 20 men including three commissioned officers — Major Yuriy Popnyakov, Captain Vladimir Apchelinov, and Senior Lieutenant Oleg Kiverov — and Senior Warrant Officer Oleg Gukovskiy. Mainly these are personnel from the No. 24 fortified post 1.5 km southeast of Shatoy, treacherously captured by the gunmen 14 December last year.

"Our soldiers' long-awaited return from Chechnya," Nizhny Novgorod Oblast Governor Boris Nemtsov said in a brief interview for KRASNAYA ZVEZDA, "should be a cause of rejoicing to all Russians and really make us remember such concepts as charity, compassion, and conscience at last! The attitude to the soldiers who have done their military duty in Chechnya is now, in my view, a touchstone by which you judge the true face of leaders of all ranks: Are they really concerned about people...."

At the rally itself Boris Nemtsov presented the commander of the 245th Regiment with title deeds for two new apartments for officers. His example was followed by the vice mayor of Nizhny Novgorod, who also gave Lt. Col. Yudin title deeds for two apartments but stipu-

lated that one must be given to the family of an officer who has died.

...After the rally the motorized riflemen's formation fell out and met with family and friends. No one in the happy throng seemed to notice a solitary young guy in a camouflage jacket with no marks of distinction, who was leaning on crutches on the platform. He was staring long and hard off into the distance. What was he thinking about at that hour of the regiment's homecoming? What memories did he have?...

### Economic Issues

#### Russia: Trade Upsurge on Stock Market After Election Result

LD0407100796 Moscow INTERFAX in English  
0843 GMT 4 Jul 96

[FBIS Transcribed Text] MOSCOW, 4 Jul (INTERFAX-PIA) — The Russian market of corporate securities was one of the first to respond to the results of the presidential runoff elections.

A leading Moscow investment company told the FINANCIAL INFORMATION AGENCY that preliminary results showing the steady lead of Boris Yeltsin caused an upsurge on the stock market. Immediately after the beginning of trading at 1100, brokers started actively purchasing shares of privatized companies, pushing prices 10 to 15 percent up compared to the closing prices on Tuesday.

A company representative said Russian banks are also more active making big orders for corporate shares. Meanwhile, there has been no rise in Western interest so far, which is attributed to time differences.

The greatest rise since Thursday morning has been in the prices of shares of the Russian power grid and Mosenergo energy companies, Surgutneftegaz, Noyabrskneftegaz, and Orenburgneftegaz oil companies. However, brokers foresee that prices will begin changing in the next few hours and may fall somewhat after the morning leap.

Election returns have also influenced international financial markets. On Wednesday evening as confidence in Yeltsin's victory grew, the German mark, which had been falling against the U.S. dollar, rose sharply.

According to a representative of Credit Suisse bank, traders started buying German marks again in view of Yeltsin's victory. Germany is Russia's biggest trade partner and creditor in the West.

Banking experts told the FINANCIAL INFORMATION AGENCY the situation remained calm in the Moscow interbank market Thursday morning.

According to a market operator, the influence of the preliminary election returns has not been felt.

The situation on the market of interbank ruble lending is the same as before the runoff elections Tuesday. Rates on one-day credits are now between 10 and 15 percent.

Dollar prices in the interbank market edged down to 5,138 to 5,141 rubles per dollar Thursday.

#### Russia: Text of Yeltsin Edict on Developing Stock Market

MM0807084196 Moscow ROSSIYSKAYA GAZETA  
in Russian 5 Jul 96 Special Edition p 6

[Russian Federation presidential edict No. 1008, signed by President B. Yeltsin and dated 1 July 1996: "On the Ratification of the Concept for Developing the Securities Market in the Russian Federation"]

[FBIS Translated Text] With a view to implementing a single state approach to the formation and development of the securities market in the Russian Federation, ensuring the combination of the interests of the state's economic safety in the marketplace, raising investment in industry, and protecting the rights of citizen shareholders and depositors, and in accordance with Article 80 of the Russian Federation Constitution, I decree that:

1. The appended Concept for the Development of the Securities Market in the Russian Federation (hereinafter the concept) be ratified (Footnote) (Being published in the "Economic Union" supplement to ROSSIYSKAYA GAZETA).

2. The Russian Federation Government and Central Bank of the Russian Federation shall:

ensure the implementation of the tasks envisaged by the concept;  
bring their normative legal acts into line with the provisions of the concept within one month.

3. The Russian Federation Presidential Staff and the Federal Commission for the Securities Market shall submit monthly reports to the Russian Federation president on the progress in implementing the concept.

4. This edict comes into force from the day it is signed.

[Signed] Russian Federation President B. Yeltsin  
[Dated] Moscow, the Kremlin, 1 July 1996  
No. 1008

**Russia: 'Complex' Deal With World Bank To  
Make Coalfields Viable**

MM0207154896 Moscow IZVESTIYA in Russian  
29 Jun 96 p 3

[Report by Vladimir Nadein followed by IZVESTIYA "Economic Office" commentary: "World Bank Will Help Close One-Third of Our Coal Mines so That Remaining Ones Can Survive"]

[FBIS Translated Text] Washington — The miners' strikes that have shaken the country will never be quelled by government handouts. Russian coal production has made a loss this year, and it is not possible to fill up a bottomless pit even during these days of pre-election gifts.

We know how to break a vicious circle. But we also know that this is an expensive business. A government commission has been at work since 1993. It has prepared a tempting program to restructure the coal industry.

But no money has been available. Nor was any anticipated. Coal consumption in Russia is decreasing. On Thursday the World Bank approved a \$500 million loan to support the restructuring program.

Regional and local governments will receive funding to create social services in the coal-mining cities and settlements. The money will be spent on heating, health care, kindergartens — everything that previously was (and in many places still is) a burden on production.

This work will be directed and monitored by a special implementation foundation, in whose formation the U.S. Agency for International Development, the British Know-How Foundation, and the Japanese Grant Foundation will be actively involved alongside the Russian Government. This body will develop programs, draw up action plans for all participants, supply computers, and provide professional retraining for miners who lose their jobs.

Branches of the foundation will operate in the Kuzbass, East Donets, Pechora, Moscow, and Kizel coal fields.

The \$500 million loan will be split into two tranches. The first \$250 million will be granted immediately. Russia will receive the second tranche for the same amount when all the previously mutually agreed conditions to create a network of social support and to privatize coal industry enterprises are satisfied.

The project, which is intended to run for the next two years alone, plans to leave in its wake a 33-percent smaller but economically stable coal industry. [Nadein report ends]

**IZVESTIYA Economic Editorial Office  
Commentary**

The coal loan has been one of the most complex projects in Russia's relations with the World Bank. The bank put forward excessively harsh conditions for scheduling the closure of unprofitable mines. When the Russian side successfully defended its position, another obstacle emerged. The bank demanded that a detailed schedule be presented: What sums would be spent in what region and for what purpose. Rosugol began to protest, because such a detailing of financial ceilings deprives it of room to maneuver. In the end Rosugol did nevertheless give in.

But the most important thing is that the time limit within which an agreement had to be prepared with the bank was unprecedentedly short. However, the Russian side managed to do what people within the bank did not really believe it could do and an agreement was prepared in record time.

**Russia: More Misappropriation of Wage Funds  
Exposed**

MM0507095496 Moscow ROSSIYSKAYA GAZETA  
in Russian 5 Jul 96 Special Edition p 6

[Unattributed report: "Where Are the Wages?"]

[FBIS Translated Text] In the course of the checks into the observance of wage payment deadlines, cases of abuse by officials at enterprises and organizations continue to be uncovered. A.Ya. Livshits, aide to the Russian Federation president, has announced.

Thus, according to a telegram sent to A.Ya. Livshits by teachers at the Kolominskiye Grivy Secondary School in Tomsk Oblast's Chainskiy Rayon, checks were organized into the delay in paying wages and vacation pay to teachers.

As a result of the checks, representatives of control organs encountered the phenomenon of an "extended" interpretation of the concept of "teachers' pay." Of the 91.4 million rubles [R] in targeted funds at the disposal of N.K. Lipnitskiy, deputy head of the Chainskiy Rayon Administration, R35 million was remitted to the account of the rayon hospital. Of this money, R3 million was paid out in cash to V.I. Budayev, head of the rural administration, some of it paid for an official trip, around R3 million went on gasoline, and almost R14 million was used to buy iron. D.S. Gubin, chief physician at the rayon hospital, "made do" with R15 million in cash. And the rayon teachers got the remaining R56 million. The results of the checks are currently being studied by the leaders of the Tomsk Oblast Administration.



The "Murmanskiye Avialinii" OAO [open joint-stock company] (manager V.N. Sigov). A.Ya. Livshits noted, had paid out bonuses of R41 million to leading workers, and administrative staff had received loans worth a total of R29 million despite the fact that the company was running wage arrears of R850.3 million.

In the course of the checks by tax police organs at the "US TES-2" Joint-Stock Company (Kazan, Director Z.Sh. Idrisov) it was established that despite owing R1.5 billion in wage arrears, some of the enterprise's

funds had been spent on things other than production. In particular, the construction of a home for the director was financed, cars were purchased for personal use, bank loans were paid off, and so forth. Z.Sh. Idrisov has been fined on the basis of the results of the checks.

Federal control organs, the Russian Federation presidential aide stressed, are continuing to work to ensure that wages are paid on time at enterprises under all forms of ownership.

### International Affairs

#### Ukraine: Udovenko Welcomes EU Decision on Transitional Economy

LD0507114096 Moscow INTERFAX in English  
1036 GMT 5 Jul 96

[FBIS Transcribed Text] KIEV, July 5 (Interfax-Ukraine) — The European Union recognized Ukraine as a country with a transitional economy at the latest EU summit in Florence, Italy, Ukrainian Foreign Minister Hennadiy Udovenko told correspondents in Kiev Friday [5 July].

Ukraine was informed about this decision by a letter of Italian Foreign Minister Lamberto Dini.

"Our consistency and insistence have brought results. This decision is very important for us both from the political and economic points of view," said Udovenko.

#### Ukraine: Moroz Favors Setting Up OSCE Military Structure

LD0607175796 Kiev UNIAN in Ukrainian  
1430 GMT 6 Jul 96

[FBIS Translated Text] Stockholm — Supreme Council Chairman Oleksandr Moroz assumed at a meeting with Blagovest Sendov, Chairman of the National Assembly of Bulgaria, that it will be expedient to set up an OSCE [Organization for Security and Cooperation in Europe] military organization for carrying out preventive peace-making activities in order to avoid conflicts on the territory of Central and Eastern Europe. According to UNIAN, the head of the Ukrainian Supreme Council said that this issue could be discussed at a conference on European security, which is being initiated by Ukraine. He also said the shortcoming of the existing OSCE institutions is the fact that their decisions are not mandatory for states. The fundamental principles of OSCE should be inviolable and mandatory for their implementation, Moroz believes.

Sendov and Moroz agreed that it was necessary to set up an international fund in support of independent press under the OSCE auspices. Moroz said "the press in Ukraine is now actually standing on its knees" because it has to survive in new market conditions.

#### Ukraine: Austrian Minister: NATO Not To Deploy Nukes in New States

LD0507183196 Moscow INTERFAX in English  
1509 GMT 5 Jul 96

[FBIS Transcribed Text] Kiev, July 5 (Interfax-Ukraine) — Formally, NATO will not assume the responsibility not to deploy nuclear weapons in the territory of its new

member-countries, yet, this principle will be observed in practice.

A statement to this effect was made by Federal Defence Minister of the Austrian Republic Werner Fasslabend at a meeting with Ukrainian parliamentary committee for defence and national security issues in Kiev today.

The stand of Ukraine, which is against the deployment of nuclear weapons in the territories of possible new NATO members may restrain the deployment of nuclear weapons in the East, he stressed.

W. Fasslabend said that next year, NATO is expected to make deeper and more structured proposals on raising the security and cooperation level in the military field.

According to him, Austria supports the hub France-Germany. It stabilizes the European security, the Austrian Federal Defence Minister stressed. Meanwhile, he expressed the opinion that further on, this hub can be continued in two directions - towards Moscow and Kyiv.

V. Mukhin, the parliamentary committee chairman, expressed the need for further strengthening of contacts between the military departments of Ukraine and Austria. In his words, "first and foremost, this refers to co-operation within the frameworks of the NATO program 'Partnership for Peace', as well as training of the personnel".

As W. Fasslabend said, a special delegation of the Austrian military education department is to arrive in Ukraine in the fall of 1996 to discuss practical aspects of a possible training of Austria's servicemen at Ukraine's military colleges, and Ukrainian officers - in Austria.

#### Ukraine: Udovenko Urges Resumption of Active Talks With Russia

LD0507103696 Moscow INTERFAX in English  
0952 GMT 5 Jul 96

[FBIS Transcribed Text] KIEV, July 5 (Interfax-Ukraine) — Ukraine is interested in resumption of active talks with Russia as soon as possible. Experts may resume talks before the inauguration of Russian President Boris Yeltsin and formation of a new cabinet, Ukrainian Foreign Minister Hennadiy Udovenko told correspondents in Kiev Friday.

"We have had a break in negotiations caused by the election campaign in Russia, but we were getting ready to continue the talks all the time. I think both we and the Russian side will boost the negotiations to settle problems on the agenda," said the minister.

A priority goal is "a final decision on the Black Sea Fleet," he said.

Asked by Interfax-Ukraine about the possible influence on the talks of a new Ukrainian constitutional article which allows foreign military bases to remain on Ukrainian territory only for a limited period, the minister said this article "will certainly be taken into account at the negotiations."

"We proceed from the need to take into account Russian interests, although this stand is criticized by some political forces in Ukraine," he said. "We must find a solution to satisfy both sides. I think we have grounds for such a solution."

Udovenko said Ukraine welcomes the victory of Boris Yeltsin in the presidential elections. "We can say with satisfaction that the policy of support to Boris Yeltsin, carried out by the Ukrainian leadership, has justified itself," noted Udovenko.

**Ukraine: Kuchma Issues Decree on Russian-Crimean Border Cooperation**

*LD0407173696 Kiev UNIAN in Ukrainian  
1040 GMT 4 Jul 96*

[FBIS Translated Text] Kiev — Ukrainian President Leonid Kuchma has issued a decree on measures to develop economic cooperation between the Autonomous Republic of Crimea and neighboring border administrative and territorial parts of the Russian Federation, UNIAN learned from the president's administration.

According to the decree, the Cabinet of Ministers of Ukraine has been charged with ensuring that talks are held with the Russian Federation Government aimed at making additions to the agreement between the governments of Ukraine and Russia on cooperation between border regions, dated 27 January 1995, concerning economic cooperation between Crimean and neighboring border administrative and territorial parts of Russian Federation; and with drawing up, with the participation of the Republic of Crimea, and adopting law-binding acts on the lawful regulation of relations between Crimea and neighboring parts of Russia.

**Ukraine: Kiev, Moscow Agree on Nuclear Fuel Supplies**

*LD0507194596 Moscow INTERFAX in English  
1726 GMT 4 Jul 96*

[FBIS Transcribed Text] The Ukrainian State Nuclear Energy Committee and the Russian companies in the course of their conference at the South Ukrainian NPP on Monday, have agreed upon nuclear fuel supplies to Ukraine.

The conference was attended by the Chairman of the Ukrainian State Nuclear Energy Committee, direc-

tors of Ukraine's nuclear power plants, representatives of the Russian nuclear fuel manufacturers, including the TVEL, Atompromcomplect and Atomresourse concerns.

Interfax - Ukraine was told at the Committee press-service that the sides have outlined cooperation prospects between the Ukrainian State Nuclear Energy Committee and the Russian Nuclear Energy Ministry and specified conditions for fuel shipments to Ukraine within the next ten years.

Meanwhile, the joint stock company TVEL as a fuel supplier bears the full responsibility for its quality, and acts as the chief adviser and scientific manager in its use at Ukraine's power plants.

The Committee also noted that agreement had been reached on the need to optimize the price of fresh fuel, and increase its quality as regards operating characteristics.

By June 1 this year, Ukraine paid for only 6.8% of the nuclear fuel supplied from Russia under bilateral contracts.

Russia also exports fuel in exchange for nuclear war-heads withdrawn from Ukraine's territory, in keeping with a three-partite agreement between Ukraine, Russia and United States.

The fuel debt of Ukrainian consumers has reached almost \$800 million.

**Ukraine: Kiev To Supply Turbine for Iranian Nuclear Plant**

*LD0407195296 Moscow INTERFAX in English  
1827 GMT 4 Jul 96*

[FBIS Transcribed Text] Kharkiv Turboatom concern, a recognized leader in turbine-making on the CIS market, is expected to sign a contract with the Russian Zarubezhatomenergostroi company in June to manufacture a 1 million kW turbine for a nuclear power plant near the town of Busher in Iran. Russia is building the plant under contract with the Iranian government, an informed source at the Ukrainian Ministry of Machine-Building, MIC, and Conversion said in an interview with Interfax - Ukraine.

The source says the contract price is about \$50 million. Financing will be provided by the Iranian side.

The construction and equipment delivery, including the turbine, are to be completed by the end of 1998 according to a contract schedule worked out by the partners.



The source, it is not unlikely that the Sumy Pump Factory, a traditional supplier of pumps of nuclear power plants, will also take part in the project.

Earlier, Turboatom used to manufacture turbine for nuclear plants in Finland, Bulgaria, and Cuba. Presently, the company exports about 30% of its products to Greece, Mexico, Argentina, and India.

**Ukraine: Kuchma Arrives in Austria for Economic Summit**

LD0707193896 Kiev Radio Ukraine World Service  
in Ukrainian 1500 GMT 7 Jul 96

[FBIS Translated Text] On 7 July, Ukrainian President Leonid Kuchma left for a working visit to Salzburg, where he will attend the economic summit of Central and Eastern European countries. The summit is organized by the World Economic Forum, a leading informal international economic organization that enjoys worldwide prestige.

According to the program of the visit, the Ukrainian president is expected to hold a working meeting with Michal Kovac, president of the Slovak Republic, and meetings with representatives of banking and credit establishments of Austria, Switzerland, and other countries that are interested in developing business relations with Ukraine. Kuchma will take part in the work of the summit; deliver a speech at its plenary sitting; and have working meetings with Franz Vranitzky, federal chancellor of the Republic of Austria, and Yugoslav Prime Minister Radoje Kotic.

The Ukrainian president will return to Kiev in the afternoon of 8 July.

The implementation of the program for the Ukrainian president's participation in the economic summit of Central and Eastern European countries is called to promote economic relations between Ukraine and European countries and their business circles, making them deeper and more active.

[Kiev UNLAR in Ukrainian at 1840 GMT on 7 July adds: "Ukrainian President Leonid Kuchma has arrived in Salzburg on a working visit to attend an economic summit of Central and Eastern European countries."]

**Ukraine: Kuchma Meets With Austrian Defense Minister**

WS0807084796 Kiev UKRINFORM in English  
0647 GMT 8 Jul 96

[From the "Current Events" feature]

[FBIS Transcribed Text] According to UKRINFORM's correspondent in Kiev, Ukrainian President Leonid

Kuchma made a statement to the above effect meeting with Austrian Federal Defense Minister Werner Fasslabend, currently on an official visit to Ukraine.

As the Ukrainian President said during the meeting in Kiev on Friday, July 5, the global community has had ample opportunity to see Ukraine's foreign policies as quite predictable and directed toward the nation's integration into European structures including its broader cooperation with NATO.

Meeting with the Austrian federal defense minister Mr. Kuchma referred to the recent adoption of the new Ukrainian Constitution as a most significant event in the Ukrainian people's history. The Ukrainian President also voiced his great satisfaction about Russian President Boris Yeltsin's re-election adding that Russia remains Ukraine's major partner.

As Mr. Kuchma put it, Ukraine, as a sovereign nation, has just started going to Kindergarten, which may be well applicable to its nascent armed forces. So, Ukraine is vitally interested in establishing and maintaining military contacts with other nations, Austria included, which have greater experience in building up their defense structures.

In turn, the Austrian federal defense minister praised Ukraine for having passed its new Constitution, which event he referred to as a major domestic and foreign political step ensuring the Ukrainian State's stability and making the nation far more attractive to potential foreign investors.

As the Austrian federal defense minister noted, the Ukrainian government's success in its efforts to bridle inflation may be interpreted as an encouraging sign signalling that the nation will shortly get rid of the economic crisis.

The Austrian federal defense minister further stressed that Ukraine has won respect internationally and that the nation's relations with NATO and the European Union make it a factor of European stability and security.

The meeting was attended by Presidential National Security Adviser Volodymyr Horbulin and Defense Minister Valeriy Shmarov. Later in the day the Austrian Federal Defense Minister met with high-placed officials at the Ukrainian Foreign Ministry and the Verkhovna Rada [Supreme Council] of Ukraine.

### National Affairs

#### Ukraine: Kuchma To Propose Lazarenko To Head New Government

LD0507114596 Kiev UNIAN in Ukrainian  
1040 GMT 5 Jul 96

[FBIS Translated Text] Kiev — "My position is unequivocal: I will propose Pavlo Lazarenko to the post of prime minister," Ukrainian President Leonid Kuchma said during a meeting with representatives of the Communist faction in parliament. According to him, after the candidacy of the prime minister is approved by the Supreme Council (according to the new Constitution, this should take place within three months of the adoption of the Basic Law), there should be consultations with all parliamentary factions concerning the new make-up of the government. "This will not be Kuchma's government, nor will it be Lazarenko's," the president stressed.

Leonid Kuchma noted that the aim of his meeting with representatives of parliamentary factions and groups was to discuss "the issue of the new government and the prime minister."

#### Ukraine: Lazarenko Asks Speaker To Strip Him of Deputy Powers

LD0507180196 Kiev UNIAN in Ukrainian  
1620 GMT 5 Jul 96

[FBIS Translated Text] Kiev - - Ukrainian Prime Minister Pavlo Lazarenko has submitted a request to Supreme Council Chairman Oleksandr Moroz to strip him of the powers of a people's deputy of Ukraine. Lazarenko informed foreign diplomats of this in Kiev on 2 July [date as received].

The prime minister said Ukrainian President Leonid Kuchma will soon sign a decree appointing Lazarenko acting prime minister of Ukraine, in line with the adopted constitution.

#### Ukraine: Kuchma Accepts Cabinet's Resignation

LD0507190296 Kiev UT-1 Television Network  
in Ukrainian 1800 GMT 5 Jul 96

[FBIS Translated Text] In connection with the adoption of the new constitution of Ukraine, President Leonid Kuchma today issued a decree under which he accepted the resignation of Ukrainian Prime Minister Pavlo Lazarenko and, therefore, the resignation of the entire Cabinet of Ministers of Ukraine. The head of state has instructed the Cabinet of Ministers to exercise its powers until a newly-formed Cabinet of Ministers of Ukraine gets down to business.

#### Ukraine: Lazarenko Unveils Reconstruction, Development Agency

WS0807084996 Kiev UKRINFORM in English  
0647 GMT 8 Jul 96

[From the "Current Events" feature]

[FBIS Transcribed Text] On Friday, July 5, Prime Minister Pavlo Lazarenko held a presentation ceremony at the Cabinet involving the National Agency for Reconstruction and Development, a nascent structure set up in compliance with President Kuchma's enactment. The presentation ceremony was attended by Deputy Prime Minister Roman Shepk, Foreign Minister Hennadiy Udovenko, foreign diplomats and international organization officers.

The Agency's main task will be to aid Ukrainian businessmen in drafting and implementing projects warranting financing and investments. The Agency will also actively cooperate with international financial institutions, G-7 and other donor-nations.

#### Ukraine: Rukh To Continue Campaign To Ban Communist Party

LD0607190196 Kiev UNIAN in Ukrainian  
1430 GMT 6 Jul 96

[FBIS Translated Text] Kiev — The People's Movement of Ukraine (Rukh) intends to continue its campaign for banning the Communist Party of Ukraine, Rukh Chairman Vyacheslav Chornovil said at a session of the central leadership of his organization today. He recalled that about 2.5 million signatures had already been collected at the initiative of Rukh in favor of banning the Communist Party of Ukraine. Chornovil is convinced that, under the provisions of the new Constitution, which ban political organizations from carrying out anti-state activities, the Communist Party of Ukraine must be dissolved. "We must show antistate forces where they belong to," he said.

#### Ukraine: Union Leader Warns Miners Strike May Get Out of Control

LD0507184196 Kiev UNIAN in Ukrainian  
1620 GMT 5 Jul 96

[FBIS Translated Text] According to the Independent Trade Union of Miners of Ukraine, 73 mines on the fourth shift (0200-0800 [local time]), i.e. an unprecedented 29 percent of their total number, were on strike in Ukraine today. Trade union chairman Mykhaylo Volynets said the miners on strike in Donetsk and Makeyevka even blocked highways. The work of coal industry enterprises has virtually been paralyzed in Lugansk Region, in central Donbass, and partially in

Donetsk and Makeyevka. According to estimates by the leaders of the Independent Trade Union of Miners of Ukraine, about 100 mines might take part in the strike in two day's time. Miners of two mining regions — Pavlograd and Chervonograd — have not joined the strike.

The Trade Union of Coal Industry Employees of Ukraine has not yet made up their mind; however, local organizations of this trade union are taking an active part in the action. Mykhaylo Volynets warned the leadership of the Trade Union of Coal Industry Employees of Ukraine against any attempts to hold separatist talks with the government, as this may result in the striking process getting out of control, Volynets believes. He also said that some organizations were already demonstrating their disobedience. According to Volynets, the situation is fraught with a real danger that miners will put forward political demands — already now, the Ukrainian National Assembly and the Communist Party are trying to influence the course of the action.

Commenting of the strike, Volynets said: "Miners intend to seek negotiations on settling their wage arrears with those who represent miners' interests in real terms and who enjoy true authority."

The decision to launch the strike as from 3 July, was approved at a session of the Independent Trade Union of Miners of Ukraine council on 28 June, in Krasnodon. The main demand of the trade union is that the Ukrainian president's decree "On urgent measures to ensure timely payment of wages, pensions, grants, and other social benefits" of 12 May 1996, be implemented. The overall wage debt in the coal industry now stands at over 106 trillion karbovantsi.

#### Ukraine: Official Claims West Competing for Country's Energy Market

AU0507153296 Kiev HOLOS UKRAYINY  
in Ukrainian 27 Jun 96 p 3

[Interview with M. Pavlovskyy, chairman of the Ukrainian Supreme Council Commission for Issues of Nuclear Policy and Nuclear Safety, by Ivan Dmytrenko; place and date not given: "Chernobyl as a Means of Struggling for Our Market"]

[FBIS Translated Text] What is the situation in nuclear power engineering in Ukraine today? Where are we heading and what are we striving for? Our correspondent started his talk with Mykhaylo Antonovych Pavlovskyy, chairman of the Supreme Council Commission for Issues of Nuclear Policy and Nuclear Safety, with these questions.

[Pavlovskyy] Like all branches of the economy, nuclear power engineering is in a state of profound crisis. The main problem is failure to meet payments. There is a paradox. While our nuclear power plants [AES's] have earned enough capital to carry out technological operations, provide for the workers materially, and maintain and develop the infrastructure, the failure by consumers to pay for electricity has made all the efforts by the AES specialists futile.

The most pressing problem is to prepare for next winter. For several years now, the crisis in the country has been overcome by nothing other than the nuclear power plants, which have provided almost 50 percent of electricity needs. That is why more attention must be paid to maintaining the AES equipment in good condition. It is precisely here that problems arise that are directly associated with chronic nonpayments. Thus, the issue of the consistently high technological readiness of equipment at nuclear plants becomes a strategic issue. That is why our commission intends to invite ministers and vice prime ministers to one of its next meetings and decide together what to do, how to orient ourselves, and on what to rely.

However, first we must resolve the problem of nonpayment and give the AESs what is theirs. Otherwise, a collapse is inevitable.

[Dmytrenko] In this context, it is worth turning once again to the problem of the Chernobyl AES. After all, what fate awaits it? Another vital issue is who, in the final analysis, determines the fate of the plant? Because there are too many people telling us what to do and how to do it....

[Pavlovskyy] Right, there are enough unwanted "advisers." Here is a fresh example. Recently, a German "green" organization held a conference in our country. One of the issues discussed was nuclear power engineering and environmental problems in Ukraine. Isn't this a strange situation: The German "Greens" teach us what to do with our nuclear power engineering! This is not just good advice in the way of exchanging experience. No, the conclusions are quite categorical: Democracy is incompatible with nuclear power engineering(?). Consequently, the "green well-wishers" go on to suggest that if Ukraine wants to build a democratic society it must — just fancy that — give up its own nuclear power engineering. There we go, indeed....

Now, regarding Chernobyl. Much is going on around it that seems strange, to put it mildly. Members of our commission have repeatedly met with G-7 representatives. Each time, we heard the demand: Chernobyl must be closed down and immediately! Why? It is not that the generating units operating there may not conform



to safety requirements. Among the total of about 2,000 nuclear reactors currently operating in the world, ours are technologically so safe that Chernobyl has become one of the world's 10 safest nuclear plants. There is therefore no reason to fear another tragedy. What is the matter then?

The explanation is quite simple.... It turns out that it is not fear of environmental damage or the effect on the health of the Ukrainian population that dictate these demands by "well-wishers." The crux of the matter lies elsewhere: They take care of their own interests and don't give a damn if Ukraine experiences an acute energy shortage tomorrow, because there is already an electricity shortage. The way out? Electricity will have to be bought. Such a "service" will be rendered to us right away, because there is surplus electricity production in Europe. Hence the obvious conclusion: Under the pretext of caring about nuclear safety, a hidden struggle is under way for Ukraine's energy market.

[Dmytrenko] What should Ukraine's position be here, provided of course that it does not want to become a half-colony?

[Pavlovskyy] Every action is bound to cause a counteraction. Here too. We must comprehensively weigh the consequences of each particular move. As regards nuclear power engineering, we could have as many nuclear reactors as we want. However, how can we pay for them? It is not just ourselves that will be mortgaged, but the coming generations as well!

Yet, there is another way out: To develop our own nuclear power engineering. What do we need? Fuel? Our proven reserves of uranium ore alone are enough to operate our nuclear plants for 150 years. Equipment? We have designs that even the West doesn't have. Thus, the technical and technological aspects of the problem present no problem. What then is the problem? Perhaps the ability to make the right decisions, proceeding from Ukraine's state interests. At least, that is how it has been so far. With the result that we have what we have.... [allusion to statement by former President Kravchuk]

[Dmytrenko] Let us, however, go back to the question: How will the fate of the Chernobyl AES be decided?

[Pavlovskyy] Today, the position of both the government and the Supreme Council is straightforward: The plant must be closed down. However, on certain terms. What specifically? The AES must use up its planned resource. If nobody had put pressure upon us, Chernobyl would have produced so much electricity during this period that the money earned from selling it would have been enough to solve the problem of the No.4 generating

unit, close down the entire plant, and keep Slavutych, the power workers' town, going.

To meet the demands of the world community, however, we agreed to an early closure of the plant. It is no exaggeration to say that this decision was a political one. Its adoption, however, was made conditional upon our being granted considerable financial assistance — as compensation for the inevitable harm it will cause the Ukrainian economy. Precisely here, our categorical "clients" are not ashamed to bargain or even repeat the familiar refrain: Your own problems — your own troubles....

However, our government is firmly (at least for the time being) maintaining its position: As soon as sufficient funds are received, Ukraine will fulfill its part of the deal. Until we have that money, Chernobyl will work for the state's economy.

[Dmytrenko] You recently visited the United States as a member of the Supreme Council delegation. What "baggage" did you bring home?

[Pavlovskyy] The trip was very interesting and useful. To speak briefly about the essential points, when I had familiarized myself with the nuclear power industry in the United States, I became convinced that Ukraine's technological potential is perfectly adequate to manufacture its own nuclear plant equipment. This is one thing. The conclusion is different: At the appropriate governmental level, it was agreed that Ukraine and the United States could be strategic partners in nuclear power engineering. With a two-way movement of technologies: from the United States to Ukraine and from Ukraine to the United States. This is a new and promising trend. It lays the foundation for the creation, over literally five or six years, of our own well-developed and technologically advanced nuclear power engineering. The future belongs to it.

#### Ukraine: Officials Differ on Quality of Russian Nuclear Fuel

WS0807111796 Kiev KIYEVSKIYE VEDOMOSTI in Russian 4 Jul 96 p 7

[Article by Nina Klymkovska incorporating interview with Vasyl Kotko, deputy chairman of the Ukrainian State Atomic Energy Committee; place and date not given: "The Quality of Russian Nuclear Fuel Is the Same as Its Price"; last paragraph is KIYEVSKIYE VEDOMOSTI commentary]

[FBIS Translated Text] There is currently no lack of discussions about the quality of nuclear fuel for atomic power stations. Some people are even claiming that the fuel is so poor that it can disable reactors.

Therefore, I have turned to the Ukrainian Ministry of Environmental Safety and State Atomic Energy Committee for explanations.

"The nuclear fuel which our nuclear electric power plants are receiving from Russia is 25 percent less efficient than foreign fuel, and we are buying it at prices close to the world ones," Environmental Safety Minister Yuriy Kostenko has told our editorial board. "This implies that we are receiving 25 percent less electric energy for the same money. Moreover, we could purchase fuel from the Westinghouse company, which the Czech Republic is currently going to do."

However, it would be best of all if our state switched to other type of reactors, Mr. Kostenko pointed. As a possible option, he named the CANDU reactor which is produced in Canada. It can directly operate on unenriched uranium, which is abundant in Ukraine.

However, the opinion of Vasyl Kotko, deputy chairman of the State Atomic Energy Committee, is completely different:

[Kotko] All of this is not so simple: Reactors built in the former Soviet Union can use only the fuel produced in the Russian Federation. They depend on each other. All nuclear power plants in Russia, Ukraine, and Lithuania are receiving fuel from the same plants-producers. It conforms to the established technical conditions. We have no grounds to say that the quality of this fuel is poor, though it must be improved. In the West, fuel is improved constantly. This is also being done in Russia. By the way, the quality of the Russian fuel fully corresponds with its price, and in terms of efficiency, it is not worse than the fuel which we could buy from Western suppliers.

[Klymkovska] Why is the Czech Republic going to switch to the fuel produced by the Westinghouse company?

[Kotko] The Czechs are modernizing their reactor, and it is this company which is conducting the modernization. As a matter of fact, this will no longer be a Russian reactor, but Westinghouse's. Naturally, it is adapted to a different fuel.

[Klymkovska] Why is such modernization being conducted?

[Kotko] The Czech Republic wants its reactor to meet the requirements which are currently in the West.

[Klymkovska] Why should Ukraine not want the same?

[Kotko] All of this requires enormous amounts of money. The talk is about billions of dollars. Additionally, all reactors which are currently being used in

Ukraine meet the safety requirements of the International Atomic Energy Agency.

[Klymkovska] Would it not make sense to switch to the Canadian reactor CANDU which operates on natural fuel, in order to not depend on imports of fuel?

[Kotko] This is a completely different technology. Its introduction would cost tens of billions of dollars.

[Klymkovska] What is less expensive for Ukraine: To create its own full nuclear cycle and thus, supply itself with fuel, or to switch to CANDU?

[Kotko] The least expensive option is to use the reactors which we already have and the fuel delivered from Russia, at the same time modernizing both the reactors and the fuel. At least \$3 billion is needed to build a CANDU, and this will entail expenditures on the development of essential infrastructure and training of personnel. As it is, this is a completely different technology. Nonetheless, this is being examined as a future option.

[Klymkovska] Returning to the actual situation, the following question naturally arises: Why is there such a strict dependence on a monopolist — in terms of fuel?

[Kotko] Historically, it so happened that the producer of fuel is in one country and the consumers are in another one. It will be possible to resolve this problem in approximately 10 years, but no earlier.

Both sides' arguments sound convincing. It is only sad that during the debate on prospects for Ukrainian nuclear power engineering there is often talk about billions of dollars which, as everyone knows, the state does not have.

#### Ukraine: Chernobyl Official Explains 28 Jun Incident

AU0507142896 Kiev URYADOVYY KURYER  
in Ukrainian 4 Jul 96 p 1

[Unattributed report]

[FBIS Translated Text] In view of the many inquiries by the media about the incident at the No. 1 power unit of the Chernobyl Atomic Electric Power Plant (AES), M. Bohdanov, the plant director's public relations assistant, told UKRINFORM the following:

Scheduled repairs are now under way on the equipment of the Chernobyl AES No. 1 power unit. The repairs call for examination of internal parts of the reactor.

During operations in the central hall of the reactor compartment on 28 June, radiation levels at some points of the floor area was found to exceed the established

norms. The repairs were suspended. Decontamination to an acceptable level was carried out.

Once the decontamination was completed, repairs were resumed. The radiation level did not exceed the norms stipulated by normative documents. No radioactive substances spread beyond the area in question and no personnel were affected by radiation. The discharge into the environment was within established norms. There were no violations in the work of the plant.

### Economic Issues

#### Ukraine: Deputy Energy Minister Interviewed

WS0507142296 Kiev ZERKALO NEDELI in Russian  
29 Jun-5 Jul 96 p 9

[Interview with Yuriy Nasedkin, by Ukrainian energy and electrification deputy minister, by Oksana Tumanova; place and date not given: "Energy Sector: Situation Is Difficult But Not Hopeless"]

[FBIS Translated Text] We are currently having fine summer days and do not even want to recall the past lengthy winter. Thank God we lived through it. But next winter will come and power engineers must already now prepare for it, because the same situation as that described in Krylov's tale "The Dragonfly and the Ant" could emerge. Hence, what about the current situation in the power engineering sector? Our correspondent asked Energy and Electrification Deputy Minister Yuriy Nasedkin to comment on the issue.

[Nasedkin] First of all, I would like to stress that the past winter was very difficult for us and perhaps our readers felt it on their own backs. Such bitter and lengthy frosts have not occurred in 15 years. In addition, if one takes into account a general payment crisis and the fact that power engineers had no means to buy fuel, you can imagine at what price we managed to provide the country with electricity and thermal energy in order to make it possible for the people to live through this winter. Undoubtedly, in many regions, there were disconnections [from the central power grid], but you must understand: We had no other way out, because it was necessary to preserve the national energy system in its entirety and avoid it being dismantled, which was highly probable.

[Tumanova] What amount of energy resources do we need in 1996?

[Nasedkin] According to estimates, thermal power plants will produce some 90 billion kilowatt hours of electricity in 1996 and the allocation of thermal energy this year will stand at 46.9 million gigacalories. Hence, some 35 million-36 million tonnes of coal, 2.5 million

tonnes of residual fuel, and 13 billion-14 billion cubic meters of gas will be required to produce this amount of electricity. Truth be told, only some 27 million tonnes of coal can be obtained from the Ukrainian coal mining sector, therefore, the remaining amount will have to be purchased abroad — in Russia, Poland, and Kazakhstan. By 1 October, the minimum coal reserves of the electric power plants must stand at 5.5 million tonnes and reserves of residual fuel must amount to 0.6 million tonnes.

[Tumanova] Has the creation of fuel reserves already begun?

[Nasedkin] Regrettably, this process is still not going on at a required and planned rate. Compared with 1 April, coal reserves were increased by 1.8 million tonnes and, as of today, they amount to 3.5 million tonnes. But our current coal reserves are less than our 1995 reserves by 2.2 million tonnes. The creation of coal reserves at the Starobeshivska, Burshtynska, Kurakhovska, and Pridniprovsk state regional electric power plants is going on at a more or less satisfactory pace. The situation is worse at the Uhlehrska, Slovyvanska, Luhanska, and Zmiyivska electric power plants.

There is another important nuance — the quality of coal — which strongly affects the wear of the plants' equipment. When a low-quality coal is burned, an additional amount of residual fuel must be used in order to achieve the so-called "illumination" [podsvetka], that is, to improve the burning process. In addition, blocs of thermal power plants wear out quicker if they operate in a maneuver-like regime, that is, when their capacity is changed all the time, for example, when they are permanently stopped every night and then again put into operation.

[Tumanova] How do you explain insufficient deliveries of fuel?

[Nasedkin] There are many reasons, but the primary ones are financial, because we have quite enough proposals to deliver coal, residual fuel, and gas. There is a shortage of the means to pay for these deliveries. The primary reason for financial difficulties in our sector is consumer nonpayment for consumed energy. The amount of nonpayments increased almost twofold since early 1996 and already exceeds 255 trillion karbovantsi [K]. In fact, consumers have not paid for the electricity and thermal energy consumed by them over more than a three-month period! What other sector can give its products to consumers at no charge? The people have gotten used to viewing electricity as something basic, like air, sunshine, or water....



The grave financial situation is also aggravated by the fact that mutually settled debts account for over 70 percent of the means that are irregularly transferred to the Energy and Electrification Ministry. But enterprises need the "live money" to, first of all, pay wages to their workers, to carry out repair work, to purchase the minimum amount of residual fuel, and so on. Therefore, we are already drafting tougher procedures for settling mutual debts. Perhaps it would be only possible to settle mutual debts for fuel or if the restructuring of debts to the state budget is at issue.

[Tumanova] Perhaps there are some ways out of this crisis situation, because the potential of our power engineering and its available production capacity are quite enough to provide our country with its own electricity. How does the Energy and Electrification Ministry propose resolving this deadlock?

[Nasedkin] We are working on this issue on a daily basis. First of all, it is time to make a shift from "providing electricity" (that is, a free delivery of electricity to consumers) to selling electricity, because electricity is a commodity just like any other. We must strengthen, by all means, the discipline pertaining to consuming electricity, including disconnecting regular non-payers [from the central power grid] irrespective of any objective and subjective circumstances. On the other hand, it is necessary to give an opportunity to operate to enterprises, the products of which are in demand, and which can pay for electricity. Only in this way will we be able to increase the amount of collected payments from our consumers. In addition, as regards energy payments, it is necessary to reduce — to the maximum degree — the share of mutually settled debts and to increase the share of "live money."

One prospect for pulling our sector out of the crisis is to increase Ukrainian coal deliveries. To this end, the government is currently taking measures to support our coal-extracting enterprises. The increase in the share of coal, the reorientation of power engineering toward new production technologies, and the reconstruction and modernization of electric power plants must, in the long run, both lead to an increase in the effectiveness of production and a decrease in the costs of electricity. For this, undoubtedly, investments are required. Obtaining long-term credits from both international organization (in particular from the World Bank) and Ukrainian banks is now being considered. Regrettably, we cannot do without their credits yet....

[Tumanova] There are expectations that fees for electricity will go up for both the people and the industrial sector. Will there again emerge a wave of non-payments and of "people's indignation?"

[Nasedkin] Irrespective of how unpopular this decision might be, the increase in fees for electricity is a vital necessity and it had to be implemented some time ago. No sector can operate at a loss and today power engineering is, in fact, bankrupt. Creditors' debts [kreditorskaya zadolzhennost] (combined with credits) exceed debtors' debts [debitorskaya zadolzhennost] by K87 trillion. Primarily, this is triggered by the fact that prices in the current table of fees are lower than genuine prices. For example, if the price for one tonne of residual fuel is \$75 in the table of fees, power engineers, in fact, buy residual fuel at the market price, or at \$90-95. The true price for 1,000 cubic meters of gas is \$83, but the table of fees envisages only \$80. At first glance, this is a small difference, but electric power plants consume billions of cubic meters of gas and, as a result, this difference turns into a sizable amount of money. Another issue is as follows: In the winter, to avoid shutting down electric power plants and to provide them with at least a minimum amount of fuel, we had to take a K17- trillion credit from commercial banks at a 100-percent annual interest rate. The table of fees does not at all envisage the payment of a yearly interest on credits (amounting to "only" K11 trillion), which tightens the noose of bankruptcy around the neck of our power engineering. Precisely due to this, the Energy and Electrification Ministry has repeatedly asked the government to revise its credit policy, because it is consumers — not the power engineering sector — who must take credits, because they do not pay for the energy they consume. This would be more logical and fair.

Theoretically, it would have been more correct to not discuss an increase in fees, but their adjustment to true prices for fuel and the establishment of prices based on feasibility studies, that is, a transition to truly market relations. As regards the least-provided for segments of society, it is necessary to support them, but not by granting various privileges to them, rather by targeted money subsidies. This would also bolster a more rational and frugal consumption of energy. By the way, the government is now considering an Energy and Electrification Ministry proposal to replace some privileges by targeted subsidies and to set limits for the benefits granted to certain consumers of electricity. The Cabinet of Ministers is currently considering a decision to increase relevant fees.

[Tumanova] Well, we will hope that difficulties will be resolved not only by all power engineers, but by all of us — from an ordinary consumer to the president — because electricity is a commodity that everyone requires everywhere and always.

**Ukraine: Crimean Parliament Passes Privatization,  
Investment Bills**

WS0807084896 Kiev UKRINFORM in English  
0647 GMT 8 Jul 96

[From the "Current Events" feature]

[FBIS Transcribed Text] As UKRINFORM's correspondent in Simferopol, Crimea's capital, reported on Friday, July 5, the Crimean Supreme Soviet (the autonomous republic's parliament) endorsed a program for privatizing state-run enterprises in 1996, which basically replicates Ukraine's national privatization program, but involves some peculiarities relating to both Crimea's health resort facilities and ensuring its ethnic minorities' access to the process.

The Crimean parliament also passed a bill on foreign investments designed to draw extraneous material and money resources to Crimea. On their last working day the Crimean deputies tackled some other pressing problems including the one of juvenile vagabondry and delinquency.

In view of the autonomous republican government's dire straits and very slim hopes for the central government's financial crutch, the Supreme Soviet voted for introducing paid medical services in Crimea to complement the staggering free medical care system.

### Belarus

#### Belarus: Lukashenka Cites Yeltsin Agreement To Visit

LD0807092996 Moscow INTERFAX in English  
0735 GMT 8 Jul 96

[FBIS Transcribed Text] Belarusian President Alyaksandr Lukashenka says he never had any doubts about Russian President Boris Yeltsin's chances of re-election. In an Interfax interview, he said he welcomed the voting results even more because Russia's foreign policy would remain unchanged, particularly in Moscow-Minsk relations.

"All that has been done in recent time in an effort to reunify Slav peoples and bring Belarus and Russia together was done together with Boris Yeltsin," he said.

He also stressed that Yeltsin's re-election will invariably lead to further integration by former Soviet republics.

"Much will now depend on the composition of the new Russian government," the president said.

He has no doubts that the new cabinet will be led by current Prime Minister Viktor Chernomyrdin, describing the latter "as a leading politician and skillful economic manager, as well as a reliable partner and a decent man standing by the Russian president at the most difficult moments."

Lukashenka announced that during his recent meeting with Yeltsin in Brest the two presidents agreed that Yeltsin would make a visit to Belarus that will last for two or three days.

Yeltsin said that after the Russian presidential runoff he would like "to travel across the republic, visit companies," Lukashenka said. The Russian president's trip to Belarus will result in the development of plans concerning further integration between the two countries, he said, adding that "we will go much further than we did when we concluded the treaty (on the creation of a Community) in Moscow on April 2."

Lukashenka said he and Yeltsin had agreed three days before the second round of Russia's presidential poll that key Russian politicians including Federation Council Chairman Yegor Stroyev, Moscow Mayor Yuriy Luzhkov and St Petersburg Governor Vladimir Yakovlev would come on a visit to Minsk later this month.

"This will not be a routine visit but a business trip to discuss how the previous agreements are being implemented, including Belarusian food exports to Moscow and St Petersburg," Lukashenka said. Problems regarding Belarusian food supplies to the Russian army are also expected to be considered, he said.

#### Belarus: Creation of Common Transport System Discussed With Russia

WS0807084596 Minsk BELAPAN in English  
0618 GMT 8 Jul 96

[FBIS Transcribed Text] Minsk, 5 July — Belarusian and Russian working delegations have completed their 2-day negotiations concerning cooperation in the field of transportation. According to information received, the negotiations resulted in the signing of a protocol which stipulates that a concept of the creation and management of a common transport system is to be formulated and submitted to the Executive Committee of the Belarusian-Russian Community in August 1996. The parties have agreed to start forming a common transport system after this concept is formulated. That is why a draft resolution on the common transport system will be submitted to the Community's Executive Committee no earlier than September-October this year. The parties also considered questions related to the management of the common transport system. The system will be under the control of a subdivision in the Executive Committee, not of an independent body as was planned earlier. However representatives of the Belarusian State Committee for Aviation and Belarusian Railways stressed that their organizations adhered to a different opinion on this matter. For instance the Committee for Aviation considers it expedient to set up a special body under the Executive Committee to manage aviation and airspace use. This body should consist of experts from the appropriate departments in the two countries and be financed by these departments. Belarusian Railways representatives believe that it would be inexpedient to establish any special body to control the common railway system, and therefore inexpedient their participation in work on the concept of the common transport system. In their opinion, the CIS Council for Railway Transportation is able to cope with all problems of bilateral cooperation. The delegations have drawn up a draft intergovernmental agreement on the principles of cooperation and conditions for interaction in the field of transportation, which will be submitted for approval by the concerned ministries and departments in Belarus and Russia.

#### Belarus: Minske of IMF Credit Viewed

WS0407103196 Minsk ZVYAZDA in Belarusian  
26 Jun 96 p 1

[Article by Ihar Shchuchenka: "The 'Circulation' of IMF Credits in Belarus: Millions of Dollars 'Eaten Away,' and What Next?..."]

[FBIS Translated Text] As you have probably noticed, the press recently published many articles by economic



analysts to "chew over" the issue of credits and foreign investments which stubbornly refuse to come to our Republic. There are many reasons for this situation. They include the bumpy road of Belarusian economic reforms, a weak privatization process, the anti-market national currency exchange rate regulations, and others. Few people think about how our country uses the funds which, despite everything, it still receives to develop its industry and get reforms off the ground. Yes, we were given credits, but it is another thing how we used them. A check that was recently conducted by the Control Chamber laid bare probably all cases of credit misuse by state institutions and enterprises which received hefty funds intended to boost production. Our country obtained a portion of them from the IMF.

By the way, the IMF gave our Republic a total of \$275 million in credits in 1993-95, which came in three tranches. The total debt of Belarus stemming from those three tranches (principal and interest), according to a report by the Finance Ministry on the national foreign debt, amounted to \$356 million as of 1 April 1996. The first tranche of the IMF system transformation credit line (STF), \$98.3 million, was provided in 1993; the second one, in 1995, amounted to \$103.3 million; and the third one, also in 1995, which was the first stand-by tranche, amounted to \$73.9 million.

Now, let us talk about how these credits were used. There are supposedly no problems with the first tranche. One portion of it, \$63.4 million, was transferred to the National Bank's correspondent account (korrespondentskiy schet) in the Deutschebank AG in Frankfurt, and another portion, \$27.9 million, went to the special account of the Finance Ministry in the Belzneshekanombank. As for the first tranche of the stand-by credit, the government had not allocated it anywhere by the time the Control Chamber conducted its check.

The first STF tranche was utilized without any problems: the money went to purchase energy sources and medical equipment. In addition, \$10 million was earmarked for the National Bank to sustain the Belarusian currency exchange rate.

However, something strange happened to the second STF credit: neither the Finance Ministry nor the finance minister, nor the Ministry of Foreign Economic Relations managed to ensure proper control over the use of the credit. As a result, a predictable thing happened: the money was "eaten away." In this case, one could wish "bon appetit" for our state institutions and enterprises if it was not for the fact that the wasted funds will have to be repaid by the state, that is, by all of us. A very significant clarification, indeed. So, what is the problem?

Banal as it may seem, the explanation is very simple: the IMF credit was used for other purposes. Instead of utilizing it efficiently (it was planned to create new export production capabilities thanks to this money), the money was used to replenish working capital of enterprises and repay their debts. Need an example? No problem.

The Minsk Tractor Plant was lucky to obtain a portion of the IMF credit. The plant was going to spend \$20 million to launch a production line of the latest tractor models. The documents that the plant sent to the Finance Ministry to justify its request for a credit said that the entire credit would be used to purchase components, raw materials, and materials from foreign countries. The feasibility study documents deemed the project profitable in terms of hard currency revenue. A check found — and it was confirmed by the Control Chamber — that in June-August last year only \$2.5 million was used to buy components, raw materials, and materials according to contracts concluded with foreign partners, while \$17.5 million was converted into Belarusian rubles and transferred to trust accounts (trastavyya rakhunki) in banks. Afterwards, the converted rubles were used to repay debts, including the debts to enterprises that were part of the amalgamation.

Besides, it was established that the amalgamation received interest of 45.8 million Belarusian rubles [Br] for finding ruble funds after the conversion. [sentence as published] Is this not an example of good economy?

This is one example. However, given what happened at a meeting of the Control Chamber Council on 24 June, this is by far not the only enterprise which received a piece of the "pie" and failed to put it to good use. Most of the enterprises used credit resources to replenish their working capital. This is how they managed to keep afloat. No one seemed to worry about the obvious fact that you are supposed to repay your debts. This is an inevitable obligation. And still....

The Dzerzhinskiy Plant obtained a credit of \$5 million. For that money, the plant intended to buy equipment that could consolidate its position on the market. The whole plan would be beneficial both for the enterprise itself and the state. Unfortunately, it did not happen. As was noted at the meeting of the Control Chamber Council, the plant paid this \$5 million to purchase imported equipment that had been in use since 1984. There was also even more "advanced" equipment that the Koreans had used since 1989. Although Belarus is not Africa, a peculiar tendency is evolving here: The country buys or is offered to buy something that others do not want any more. This exactly the case with the Dzerzhinskiy Plant. Examples are close at hand. The plant carelessly

bought two ion implantation facilities for \$350,000 and \$370,000 (which were operated in Korea since 1989). Let us recall here a certain circumstance which someone may view as minor: a 100-percent tax is imposed on similar equipment made in Belarus. No wonder, imported equipment, by habit, is considered to be better. Yet....

Yet, we should remember that repayment of the principal (as of 1 April; \$275.5 million plus interest of \$81 million) will start in 1997. According to a Cabinet of Ministers resolution "On Financing Projects at the Expense of the Second Tranche of the System Transformation Fund," the principal and interest must be repaid within the next two years. This means that the Finance Ministry's debt is supposed to be fully repaid in the period 1995-97. [as published] The budget will be able to utilize the credit funds in the same timeframe. Consequently, the national debt to the IMF will be eliminated in 2004-05 — most likely at the expense of the national budget. In addition, given the misuse of credits by our enterprise borrowers (which have completely failed to launch import-replacing production), most of the investment projects will never bring hard currency revenue to the country.

Not surprisingly, foreign investors have recently paid little attention to Belarus. We do not know how to use borrowed money efficiently. The situation is exacerbated by the lack of relevant legislation imposing responsibility on officials who allowing the misuse of foreign credits obtained thanks to our government's guarantees. At present, Belarusian managers cannot or do not want to handle financial assistance to the state in an efficient and rational manner unless the see the sword of Damocles hanging over them. As a result, all of us have to pay for "mistakes" made by individual officials. Are we this rich?...

**Belarus: Court Declares Lukashenka Edict Violates Constitution**

*WS0507141796 Minsk BTK Television Network in Belarusian 1800 GMT 4 Jul 96*

[Report by V. Kharkow]

[FBIS Translated Text] The Constitutional Court of the Republic of Belarus heard another case on 4 July. It was the Constitutional Court's last session before the summer vacation. The court discussed the issue of correspondence to the Constitution of the Belarusian president's edict On Certain Issues of Ensuring the Activities of Local Soviets. The petition requesting the examination of this issue was filed by former Supreme Soviet Chairman Myacheslaw Hryb and later supported by Syamyon Sharetski.

In general, the Supreme Soviet believes that by issuing the edict the president interfered in the activities of local soviets and violated the principle of the division of power. This was underscored by Judge Mikhail Pastukhow.

[Begin Pastukhow recording, in Russian] By issuing the aforementioned edict the president interfered in the competence of local soviets of deputies, which are representative bodies, and violated the principle of the division of powers envisioned by Article 6 of the Constitution, given that he stripped local soviets of deputies of the right to independently resolve the issues within their competence in accordance with the law.[end recording]

Incidentally, the Supreme Soviet formally annulled the presidential edict back in February 1996. However, in reality it remains in force and, according to one of the complaints voiced at the session, the executive authority has a free hand in ignoring decisions made by local soviets. Moreover, the functioning of local soviets is being hampered.

The Constitutional Court declared that the Belarusian president's edict of 26 December 1995 is at variance with the Constitution and laws of the Republic of Belarus in the section envisioning the president's right to determine salaries of chairmen of local soviets of deputies and to form their apparatuses.

**Belarus: Opposition Leaders Urge Investigation of Lukashenka**

*WS0507142196 Minsk BELAPAN in English 1410 GMT 5 Jul 96*

[FBIS Transcribed Text] Minsk, 4 July — Zyanon Paznyak and Syarhey Navumchyk, Belarusian opposition leaders, who are currently staying in Poland, have sent a letter to Supreme Soviet Chairman Syamyon Sharetski.

In their letter, Paznyak and Navumchyk claim that President Lukashenka's activities, his systematic and flagrant violation of legislation, of the Constitution, and of human rights have become dangerous to the existence of the Belarusian state and society, provoked an all-embracing crisis, and constitute a menace to people's life. The opposition leaders draw Mr. Sharetski's attention to the fact that the parliament has the constitutional right to control and remedy the legal situation and can relieve the president of his post, if he disregards the Constitution and commits illegal acts. According to Paznyak and Navumchyk, the Constitutional Court found flagrant violations of the Constitution in 11 decrees and instructions issued by the president. They

urge Mr. Sharetski "to feel responsible for Belarus' destiny and his duty to the nation and the Constitution, and initiate the legal relieving of Belarusian President Alyaksandr Ryhoravich Lukashenka; to form a special commission to investigate Lukashenka's abuse of his office for smuggling activities together with the company 'Torgexpo' and for trade in arms; and to initiate the establishment of a special commission to examine the state of president's health."

Mr. Sharetski has not yet officially responded to this letter. However, during the July 4 meeting with German parliamentarians, Mr. Sharetski announced his understanding that the level of democracy in a country is estimated based on the authorities' attitude toward opposition. In Mr. Sharetski's opinion, the two leaders of the Belarusian opposition should not be staying abroad. He added that it would be better for them to return to Belarus and to appeal to the president, the parliament, and the Cabinet of Ministers, and above all, to the people. "If they appear here, I am ready to not only listen to them, but also to hear them," Mr. Sharetski said. He added that together with other MPs he is ready to enter into polemics with the opposition. Mr. Sharetski said that he had met with Mr. Paznyak, talked to him, and listened intently to his opinion, but also expressed his attitude toward the Belarusian Popular Front's policy.

### Moldova

**Moldova: Snegur, Romania's Iliescu Hail Yeltsin's Election Victory**

AU0607200496 Chisinau INFOTAG in English  
2115 GMT 5 Jul 96

[FBIS Transcribed Text] Chisinau, July 5 (INFOTAG) — Snegur and Iliescu associate with Yeltsin's electoral victory their hopes for Russia's further democratic development, both leaders stated today at the Chisinau airport. "Romania welcomes Yeltsin's victory", Iliescu said. "The election results consolidate our hopes for further democratic processes in Russia. They give a chance to deepening the democratic processes and continuation of economic reforms. Yeltsin's victory is an essential condition for stability in Russia which country is a key element of regional, European and world stability", Ion Iliescu stated.

Mircea Snegur said, "the stance of the Moldovan leadership and the nation has been expressed in our telegram of congratulation sent to Boris Yeltsin yesterday. We hope that the Dniester problem, which emerged due to the reckless actions of the previous regime, will be resolved in the very near future. I mean here both the negotiations on the region's status, and on the withdrawal of the Russian military contingent from Dniester. I am

convinced that the problem can be solved jointly with Yeltsin much easier than with any other potential candidate for the presidency", Mircea Snegur stated.

Presidents Snegur and Iliescu have spoken up for a closer economic integration between the two countries. They held an official meeting today, and pointed out the necessity to increase the number of joint companies and enterprises, to set up a tripartite Moldovan-Romanian-Ukrainian free enterprise zone at the Danube river estuary. They also spoke up for holding such bilateral meetings more often, so that to have a better possibility to discuss concrete measures to expand the mutually beneficial cooperation.

Analyzing the sociopolitical situation in the republic, Mircea Snegur said it is particularly important that Moldovan citizens elect such a president this year which would continue and successfully accomplish the current reforms. Alongside with certain achievements in reforming the national economy, such as depressing the rate of inflation, transition to the 2nd privatization stage, etc., Moldova is still facing many unsolved problems — in particular, wage and pension arrears, unemployment, including latent one.

Mircea Snegur expressed hope that Yeltsin's reelection for the second term will promote overcoming the existing differences between Chisinau and Tiraspol. The President underlined the role of international mediators, including the OSCE Mission, in the negotiation process.

**Moldova: Snegur, Romania's Iliescu Favor Closer Economic Integration**

LD0507155196 Moscow INTERFAX in English  
1539 GMT 5 Jul 96

[FBIS Transcribed Text] CHISINAU, July 5 (Interfax) — Moldovan President Mircea Snegur and Romanian President Ion Iliescu, have spoken out in favor of closer economic integration between the two countries.

The two presidents considered the creation of more joint ventures and a joint free economic zone in the mouth of the Danube with Ukraine's participation, the Moldovan presidential press service told Interfax on Friday.

The presidents also said they deemed it necessary to conduct bilateral meetings more often in order to discuss specific measures to broaden mutually beneficial relations.

Snegur briefed Iliescu on the political situation in Moldova on the eve of the presidential elections and emphasized the "importance of the Moldovan citizens' future choice in favor of the continuation and successful completion of reforms."



Some unsettled economic problems remain in Moldova despite success regarding the national currency's stabilization, lower inflation and the implementation of the second stage of privatization, the Moldovan president said. Among these problems, he cited overdue wages and pensions, and unemployment.

With regard to the conflict in Transnistria, Snegur said Russian President Boris Yeltsin's re-election for a second term "will help overcome differences between the sides and accelerate the conclusion of a bilateral agreement."

**Moldova: Snegur, Iliescu Discuss Borders, Language, NATO**

AU0807101196 Chisinau INFOTAG in English  
2100 GMT 6 Jul 96

[FBIS Transcribed Text] Chisinau, 6 July (INFOTAG) — Presidents Mircea Snegur and Ion Iliescu expressed their full satisfaction about the results of the Romanian delegation's official visit to Moldova at today's press conference.

The two leaders pointed out they exchanged opinions on a broad spectrum of political, cultural and humanitarian problems, confirmed their joint will to continue these relations, to activate economic collaboration and cooperation in international organizations.

Mircea Snegur has stressed that Romania was the first country to have recognized Moldova's independence, and thanked it for the help rendered during the last 5 years.

President Iliescu stated with satisfaction that during these 5 years, the Moldovan-Romania cooperation had been developing steadily. The two countries have registered more than 100 joint companies in Moldova and over 600 in Romania. However, there still exist lots of unused reserves, including in the field of transportation, trade, energy sector. The two Presidents have spoken up for Moldova's joining — through Romania — the European energy system. Snegur confirmed his stance concerning diversification of energy sources for Moldova. He said he is for Moldova's participation in building a block at the Romanian nuclear power station in Cernavoda. For that, Moldova will have to obtain a \$250 million loan.

President Snegur presumes there is no need to be in a hurry with signing the Memorandum on normalization of Moldovan-Dniester relations. He stated at today's press conference that the document signing was put off on Moscow's request just before the second round of presidential elections in Russia.

"Currently, the sides are not discussing the signing date. There is no much need for us to hurry, the more so that several questions remain still not very deeply discussed. I personally think, there is no sense in creating additional problems before our presidential elections, because any Memorandum version will not be free of shortcomings. At present, we should concentrate on other, more significant problems," Mircea Snegur said.

President Snegur and Iliescu consider the relations of their countries with Russia as very essential an issue, but are speaking up for integration into Euro-Atlantic structures.

"Moldova regards as a key priority its relations with Romania, Ukraine, and the Russian Federation," Snegur stated.

"We are interested in maintaining economic ties with Russia, and in preserving Eastern markets for our produce. Russia, Ukraine and Romania are our key partners. With Romania, we have not just partnership relations. These are very special relations, and that's exactly why the countries are working so hard and long to draft the Basic Political Treaty," Snegur said.

He stressed, Moldova is satisfied about Romania's seeking to become a NATO member. "This will guarantee the security of the Republic of Moldova which declared its neutrality and observes it, and has been collaborating with NATO only through its Partnership for Peace program," he said. Ion Iliescu also confirmed his country's interest in good neighborly relations with Ukraine and in developing relations with Russia. "Russia remains a great power with a tremendous potential. We are striving for Euro-Atlantic integration. But we regard NATO as only a factor of all-European and regional stability, and in no way as a counterbalance against Russia," the Romanian leader has emphasized.

"We are not raising the problem of liquidating the consequences of the Molotov-Ribbentrop Pact, and are not seeking to reshape the existing frontiers. This is unrealistic and unrealizable," the Romanian President has stated.

He stressed that Romania did not revise its previous stance, and still considers the Pact a frivolous and unfounded act.

"This document had great consequences for border reshaping in Europe. But nothing can be changed now. The current borders have been recognized by all nations. All of them have signed international acts on the inviolability of the postwar borders. This historic reality cannot be disregarded, for the European stability is based on it. But we consider it necessary to mention

in our treaties with Moldova, Russia and Ukraine the negative moral and political consequences of the Pact, so that to prevent any possible repetition of such steps in the future," Iliescu said.

Mircea Snegur said he had nothing to add here, and the problem of the sides' approach to the Pact will be resolved through negotiations. President Iliescu has stated that the return to the correct naming of the official language, Romanian, cannot lead Moldova to losing its statehood, "no matter what political debates around this issue may be in Moldova and Romania."

"We speak one and the same Romanian language. We all are one Latin-origin nation — Romanians, and you understand me without an interpreter. To name a language correctly does not mean to encroach on a statehood. Austrians speak German, and there exist lots of similar examples in the world. Why should you be ashamed of saying that you speak Romanian?! You speak it, no matter what political gamesmanship — the remnants of the denationalization policy — may be taking place around you. This is my position, and I shall never revise it," Iliescu stated.

**Moldova: Zyuganov Receives 50.84 Percent of Votes in Moldova**

AU0507154496 Chisinau INFOTAG in English  
1901 GMT 4 Jul 96

[FBIS Transcribed Text] Chisinau, July 4 (INFOTAG) — The Russian Communist Party (CPRF) leader Genadiy Zyuganov has won a victory on the Moldovan territory in the second round of voting in the presidential elections on 3 July.

The CPRF leader polled 50.84 percent of votes at the two polling stations (in Chisinau and Tiraspol), while Yeltsin — 44.63 percent, with 3.98 percent voters having cast their ballots against both, said Fedor Malyshev of the Russian Embassy in Chisinau.

Of some 30 thousand Russian citizens permanently living (or on visits) in Moldova, 18,358 people came to vote yesterday — approximately the same attendance as what was at the 16 June first round. The station in Chisinau was visited by 1,181 Russian citizens of whom 731 voted for Yeltsin, 414 for Zyuganov, and 31 against both.

Despite his defeat in Moldova, Yeltsin has polled substantially more votes this time — largely thank to the electorate, who on 16 June gave their preferences to Aleksandr Lebed.

As INFOTAG reported already, in June Russian citizens in Moldova gave 45 percent of votes for Lebed, 36 percent for Zyuganov, and only 11 percent for Yeltsin.

According to Thursday's preliminary data from Moscow, Yeltsin has won an impressive victory in the second round, with some 53 percent votes, against slightly over 40 percent by the communist leader. Some 5 percent Russians voted against both of them.

The election was attended by about 65 percent of franchised Russian citizens.

**Moldova: Chisinau Officials Welcome Yeltsin's Election Victory**

AU0507174196 Chisinau INFOTAG in English  
1901 GMT 4 Jul 96

[FBIS Transcribed Text] Chisinau, July 4 (INFOTAG) — Moldovan President Mircea Snegur today sent a telegram of congratulation to Boris Yeltsin on the occasion of his victory in the presidential elections.

"The convincing victory of democratic forces in Russia's first ever free presidential elections inspires hope and trust of the entire world in the irreversibility of the reform course you are following. Moldova was with you, Boris Nikolayevich, in August 1991. Moldova watched with excitement your election marathon, and now Moldova is sharing your joy," the telegram reads.

"Let this choice of Russians serve to the development and strengthening of the traditional relations between our nations on the way towards new life in a new world. I am convinced that the Dniester region problem, created by the previous regime, will be resolved in the very near future with our joint efforts."

Parliament Chairman Petru Lucinschi stated to our correspondent that "the Russian electorate have proved that a people is always the wisest politician. The Russian voters have understood that there is no way back, and supported reforms and stability."

"We are rejoicing over Yeltsin's victory, as it inspires confidence that Moldova and Russia will manage to resolve the Dniester region problem, and keep on improving economic relations between the two countries," the speaker pointed out.

Lucinschi believes the victory will have a favorable influence on the forthcoming presidential elections in Moldova.

Boris Yeltsin's victory in the presidential elections will speed up the Dniester region problem settlement, President Snegur stated today at his meeting with Branemir Radev, acting head of the OSCE [Organization on Security and Cooperation in Europe] permanent mission in Moldova.

The sides discussed ways of improving the situation in the Moldovan eastern districts, and stressed that the

leading role in promoting essential political decisions is played by the OSCE.

Snegur stressed that eventually the Dniester region population themselves will force the Tiraspol leaders to yield to the reasonable compromises being offered by Chisinau.

Snegur said, Yeltsin's victory will give an impulse to the final removal of controversies proceeding from the principles of the independence and territorial integrity of the Republic of Moldova, which were many times stressed by the Russian president.

The sides also pointed out that his success will definitely influence elections to take place in other countries of the region, for it will trigger the resolute actions of all democratic forces standing up for reforms.

**Moldova: Snegur Says Dniester Issue 'Easier To Resolve' With Yeltsin**

LD0507201396 Moscow INTERFAX in English  
1556 GMT 5 Jul 96

[From the "Presidential Bulletin" feature] "Snegur Transnistrian Problem Will Be Easier Solved With Yeltsin"

[FBIS Transcribed Text] President Mircea Snegur is certain that with President Boris Yeltsin "it will be much easier to resolve the problem of Transnistria, which arose as a result of careless actions by the previous regime, than with any other potential candidate for the Russian presidency."

He hopes that the status of Transnistria and the withdrawal of 14th army units will be decided soon.

Snegur was speaking at Chisinau airport on Friday, where he welcomed the Romanian leader Ion Iliescu, who had arrived in Moldova on an official visit.

President Iliescu said that the "results of the elections confirmed the hope for the further consolidation of democratic processes in Russia.

"This is a chance for democracy and economic reforms to gain strength. It is the most important condition for stability in Russia, which in turn is a basic element of political stability in the region, Europe, and elsewhere," Iliescu said.

He hopes that all democratic forces inside and outside Russia would gain from Russia's democratic development.

In the course of his visit to Chisinau Iliescu will speak in parliament, meet with parliamentary factions, parliamentary leaders and the president. On Saturday he will meet with Prime Minister Andrei Sangeli, sign

a number of bilateral documents and hold a final news conference.

**Moldova: Lebed Coming to Dniester To Fight Corruption, Smuggling**

AU0607203496 Chisinau INFOTAG in English  
2115 GMT 5 Jul 96

[FBIS Transcribed Text] Chisinau, July 5 (INFOTAG) — The Russian Security Council Secretary Alexander Lebed is planning to visit Dniester — "in order to pull by the locally-buried ends of ropes leading to the Moscow corruption world", prominent Russian IZVESTIYA newspaper writes today.

"I am going to undertake adequate measures against those who have transformed Dniester into a CIS' most popular smuggling region", Lebed stated. However, the former General's initiative may be opposed by a well-organized resistance, the paper presumes.

Colonel Mikhail Bergman, the Military Commandant of the Dniester-deployed Russian Contingent, has stated he is very much alarmed about the negotiations between some officials in the Russian Federal Security Service and radicals from the Russian Communist Party, on the one side, and the Dniester security minister Vadim Shevtsov, on the other.

The newspaper reminds that after the 1992 armed conflict in Dniester, the former cutthroat of the Riga special militia battalion Vadim Antiufeyev has changed his family name into "Shevtsov", moved over to Tiraspol, and "established in the separatist republic a powerful special service structure with functions still largely unclear". This Dniester KGB has collected tonnes of discreditable materials against practically all Dniester state officials, including President Smirnov, and local businessmen who have to heavily bribe the KGB in exchange for Shevtsov's "silence".

IZVESTIYA writes that Shevtsov used to offer his "roof" for the now German citizen Victor Bulashevsky who seems to be the biggest smuggler of nonferrous metals from the CIS. When the Dniester Tax Inspection began "digging" too hard against Bulashevsky, Shevtsov arranged his escape to the Western Europe. The newspaper does not rule out that Bulashevsky may have a reliable "roof" in Moscow, too.

"The new Security Council Secretary is showing a vivid interest to recently-fired Soskovets, Korzhakov and Barsukov, as well as to illegal exports of nonferrous metals from Russia. Thank to the efforts of the Dniester security minister Shevtsov, the rebel region has become a busy corridor for such illegal exports to the Western Europe", the paper writes.



## WESTERN REGION

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In its opinion, the Moscow patrons of the Dniester "black hole" may avail themselves of the services of the Shevtsov's semilegal militarized unit — the "Security" guard and detective agency. According to IZVESTIYA's data, some time ago, a group of 10 its agents were sent to Moscow to fulfill a special task. "Maybe, Moscow criminal world patrons, frightened by the activity of the new Security Secretary, are trying to find out whether or not it is possible to 'calm down' Lebed by using a group of well-trained fighters from an 'agency' practically unknown in Moscow", the newspaper presumes.

**Moldova: Report Views Dniester Vote in Russian Elections**

AU0407191896 Chisinau BASAPRESS in English  
2200 GMT 3 Jul 96

[FBIS Transcribed Text] Tiraspol/Chisinau, 03/07/1996 (BASA-press) — A considerable number of Gen. Lebed's Dniester advocates voted against Boris Yeltsin, observers in Tiraspol stated.

The Dniester region, where the former 14th Army is based, is inhabited by some 27,000 Russian citizens.

In the first round of elections, Lebed polled in Moldova, mainly in Dniester, 45 percent of votes, Ghennadiy Zyuganov 36 percent, Yeltsin only 11 percent.

"I voted for Lebed in the first round, but from now on I will support Zyuganov," Semion Platonov, retired colonel, told BASA at an electoral sector in Tiraspol.

"Lebed betrayed us, when he accepted being secretary of Yeltsin's Security Council," said the elector.

Dniester is inhabited by a large number of pensioners of the former Soviet Army, and many of them are Russian citizens.

"We did not trust Yeltsin, and now we do not trust Lebed either," a pensioners' family told BASA. At the same time, the youths and middle-aged electors in Dniester vote for Yeltsin.

"We have voted Yeltsin, because we chose the less evil. But I am certain that Zyuganov will receive the biggest support in Dniester," said Miroslav Chernyakovsky, 45, Tiraspol inhabitant.

Colonel Mikhail Bergman, one of the closest officers of Gen. Lebed, when commander of the 14th Army, expressed certainty that in Dniester the votes will share like 60 to 40 in Yeltsin's favor.

"The homesickness for communist ideals is still strong here, though the Dniester regime embodied all the worst from the Soviet regime," Bergman told BASA.

Observers estimate that the majority of military of the former 14th Army will vote Yeltsin.

"We support those whom our former commander is with," said a military of the Tiraspol-based air force sub-unit.

The government of the self-proclaimed Dniester republic has not announced official support for a certain nominee.

"I vote for Zyuganov, because Yeltsin should not be president given the Chechen war," said Aleksandr Saydakov, Tiraspol government minister.

The Dniester speaker Grigoriy Marakutsa stated he supported Yeltsin, but that was his own position, and not of Tiraspol officials.

**Moldova: PDAM Congress Elects Sangheli as Presidential Candidate**

AU0807101696 Chisinau INFOTAG in English  
2100 GMT 6 Jul 96

[FBIS Transcribed Text] Chisinau, July 6 (INFOTAG) — The 3rd congress of the ruling Agrarian Democratic Party of Moldova (PDAM) today put up Prime Minister Andrei Sangheli a candidate for the presidency. His candidacy was backed by 266-of-270 delegates, with 2 noes and 2 abstentions. This was the shortest of all PDAM congresses. Initially projected to last for 2 hours, the forum took 3 hours to be finished. In terms of its 'tonality,' it can be divided into a major and a minor part. The main reporter — PDAM Chairman Dumitru Motpan, and 12 first speakers voiced a unanimous support to Premier Sangheli.

Then the floor was given to Larisa Iachim of the PDAM parliamentary faction. She read out a Message to the congress signed by 20 faction members.

The Message authors reminded that an intent to run for president had already been voiced by Mircea Snegur, "and now a nomination of a left-centrist candidate is on the agenda — this may be Andrei Sangheli or Parliament Chairman Petru Lucinschi." Analyses show that the left-centrist forces may get split, which, in the authors' opinion, presents a great danger. "It will be a tragedy for the forces to have two candidates," they stated.

In their belief, in order to avoid a social unrest it is necessary to continue the cooperation between the Sangheli-headed Government and the Lucinschi-presided Parliament. The Premier, his ministers and local power bosses should be less involved in political activities.

The Statement calls the party to support Petru Lucinschi as the PDAM candidate, and to hold a secret voting on that issue at the congress. In reply, Dumitru Motpan stated, that is the result of the events which had been taking place in the PDAM parliamentary faction in the past several weeks. He said, a congress may put up a hundred candidatures, but all of them must be party members. Motpan also warned against one more split in the faction, which may provoke an early parliamentary election.

Petru Lucinschi said to the delegates that the forthcoming presidential elections is an important-most event in the Moldova's political life, and he had many times discussed it with Andrei Sangheli on friendly terms. After the PDAM leadership has decided to nominate Sangheli the party candidate, several groups of people paid visits to the Speaker asking about his position and offering to him to become a candidate. "In the past two weeks, the people who are ready to support me are being intimidated, and I can say where these threats come from," Lucinschi said. He proposed to 'withdraw the problem' and to stop growing into enemies to each other. He stated that there shall be no split in the Parliament, and announced that if he really decides to run for president, he will be an independent candidate.

After that, the congress decided to hold an open voting, and voted for Sangheli.

Prime Minister Andrei Sangheli has named three problems which he believes are key for him as a candidate for the presidency.

Speaking before the PDAM congress today, he said number one problem is working out a governmental program of development of national minorities residing side by side with ethnic Moldovans — parallel with resolving the Dniester problem "which has been inflicting a great economic damage to the republic."

Number two is continuation of the economic reform alongside with resolving social problems, and number 3 is a more active integration into the CIS, "without which it is impossible to imagine the economic rehabilitation of Moldova."

He views the chief objective of the transition period is in the passing from one political system over to another without huge human and material losses.

He pointed out with regret that the republic had forgotten too quickly the tremendous losses caused by natural calamities and the Dniester armed conflict, without going too deep into the conflict's reasons. The hasty economic decisions of the first 2 years of independence, in a combination with political life liberalization, have led to

considerable complications. The only force which managed to bring the republic's life into its normal course has been the Agrarian Democratic Party, the Premier emphasized.

In his words, the PDAM has supported all types of ownership, privatization for National Patrimonial Bonds, and promoted establishing civil peace and society democratization.

Revanschist forces are seeking to split the Moldovan society, he said. The splitting methodology has become an instrument in the hands of certain power branches, too, among which is the institution of president. Efforts are being undertaken to split both the PDAM parliamentary faction and the party as such.

"For doing so, an appropriate ideological substantiation has been provided," he said, having cited Petru Lucinschi's interview published in *MOLDOVA SUVERANA* on Friday: "A party, even a ruling party, should be more flexible in its behavior and conducting its policy. The PDAM, at power for the past 2 years, is responsible for the current situation in Moldova. To my mind, it should comprehend the changes taking place in the society, and, on the basis of a well-balanced policy, should orient its efforts to winning new allies."

Sangheli stressed that "the current fragile stability has been achieved by joint actions of the Government and Parliament, and this cooperation must be preserved."

Andrei Sangheli, prime minister of Moldova, was born in 1944 in the village of Grinauti, North Moldova. He graduated from the Chisinau Agricultural Institute and, later on, the Communist Party School in Kiev. In early 1970s he worked as Chief Agronomist in collective farms in the Kotovsky and Kamenka districts in Moldova.

1975-1979 — Secretary of the Communist Party District Committee in Kamenka.

1980-1986 — Chairman of the Executive Committee and First Secretary of the Communist Party Committee in the Donduseni district.

1986-1989 — First Deputy Chairman of the Council of Ministers, and Chairman of the Moldovan State Agro-Industrial Committee.

1989-1992 — First Deputy Prime Minister, Minister of Agriculture and Food Industry.

On July 1, 1992 Andrei Sangheli was appointed Prime Minister by parliament.

On March 31, 1994, the newly elected Parliament reappoints him in that position.

### Kazakhstan

#### Kazakhstan: Chinese Leader To Promote Friendship With Central Asia

LD0507162196 Moscow INTERFAX in English  
1556 GMT 5 Jul 96

[FBIS Transcribed Text] ALMATY, July 5 (Interfax) - China will develop strategic, long-term and stable relations of friendship and good neighborhood with Kazakhstan and other Central Asian states, Chairman of the People's Republic of China Jiang Zemin said in the Kazakh parliament Friday.

Jiang stressed the need to develop trade and economic cooperation with all countries of the region and to encourage mutual investments. He underlined that China has over 3,000 kilometers of common border with Central Asia.

At a news conference in Almaty later on the same day, Chinese Foreign Minister Qian Qichen stressed the importance of the Shanghai agreement on confidence-building measures on the border, the Kazakh-Chinese border agreement and a similar Chinese-Kyrgyz document signed in Bishkek on July 3.

Jiang signed a total of 18 documents during his trips to Uzbekistan, Kyrgyzstan and Kazakhstan, Qian said.

Jiang sent Boris Yeltsin a telegram of congratulations upon his re-election as Russian president from Bishkek, Qian said. China wishes Russia long-term political stabilization and seeks partnership, strategic cooperation and good neighborhood with it, Jiang said in his telegram.

The Chinese delegation will leave Almaty for Beijing Saturday morning.

#### Kazakhstan: Nazarbayev Says Russia Remains Committed to Reform

LD0607085896 Moscow INTERFAX in English  
0757 GMT 6 Jul 96

[FBIS Transcribed Text] ALMATY, July 6 (PIA-Interfax) — Kazakh President Nursultan Nazarbayev takes a positive view of the outcome of the presidential elections in Russia.

"Russia proved it was committed to the democratically-oriented political reform," he said at the opening of Kazakhstan's first high-tech gas-filling complex built by the Russian oil company LUKoil in the Kazakh capital Almaty.

"For the first time in our common history the problem of power was settled in a civilized manner, by way of constitutional elections and the free expression of the

people's will, without bloodshed and without a civil war," Nazarbayev said.

Nazarbayev congratulated Boris Yeltsin and all Russians and pointed out that it was "from the very beginning" that he supported Yeltsin's bid for reelection. Kazakhstan is interested in the continuation of the democratically-oriented economic reform in Russia, Nazarbayev said so as to explain his choice.

"Kazakhstan cannot remain indifferent to what is happening on the territory of our closest neighbor Russia," he said.

Nazarbayev sees the opening of a LUKoil filling station as highly symbolic and as an epitome of bilateral economic cooperation. Russian involvement in the Kazakh privatization programs will face good prospects in the context of expanding cooperation, he said.

#### Kazakhstan: South Kazakhstan Region To Increase Ties With Iran

LD0807102196 Moscow ITAR-TASS in English  
0934 GMT 8 Jul 96

[FBIS Transcribed Text] SHYMKENT (REPUBLIC OF KAZAKHSTAN), July 8 (Itar-Tass) — Possibilities of considerably expanding business and cultural contacts between Kazakhstan and Iran have appeared since laying open the main railway-line segment linking these two countries.

Iranian ambassador to Kazakhstan Rasoul Islami was received by governor of the South Kazakhstan region Zautbek Turizbekov. During the meeting they talked about establishing close trade cooperation between South Kazakhstan and the Iranian province of Khorasan, Iran's aid to the regional cultural center in studying Persian language and help immigrants from Iran to visit their relatives living in Iran. The two sides agreed to exchange delegations of state power, entrepreneurs and mass media workers.

### Kyrgyzstan

#### Kyrgyzstan: PRC President Meets Akayev, Dzhumagulov, Signs Documents

LD0407114196 Bishkek Kyrgyz Radio First Program Network in Russian 0700 GMT 4 Jul 96

[FBIS Translated Text] Yesterday a PRC delegation led by President Jiang Zemin arrived in our republic. Askar Akayev, president of the Kyrgyz Republic, Prime Minister Apas Dzhumagulov, and other officials met him at Manas airport. After the aircraft landed, girls in national costume gave the senior guest bread and salt. The national anthems of the PRC and the Kyrgyz



Republic were played. It was here that the honor guard of the Kyrgyz National Guard gave the salute. The delegation left for the state residence of Ala-Archa, where on behalf of Askar Akayev, president of the Kyrgyz Republic [passage indistinct]

Our head of state met with Jiang Zemin [words indistinct] in Government House. Expanded talks were held with Prime Minister Apas Dzhumagulov. A number of documents to further expand and deepen trade and economic, scientific and technical, cultural, and other relations were signed. [passage indistinct]

**Kyrgyzstan: Agreements Signed With PRC Noted**

*LD0407211396 Bishkek Kyrgyz Radio First Program Network in Kyrgyz 1300 GMT 4 Jul 96*

[FBIS Translated Excerpt] The official visit by a delegation of the People's Republic of China headed by President Jiang Zemin took place in Kyrgyzstan on 3-4 July. [passage omitted]

During the current visit the following documents were signed:

a joint declaration between the Kyrgyz Republic and the People's Republic of China on the foundations of friendly relations;

an agreement between the Kyrgyz Republic and the People's Republic of China on the Kyrgyz-Chinese state border;

an agreement between the Kyrgyz Republic and the People's Republic of China on legal assistance in civil and criminal cases;

an agreement between the government of the Kyrgyz Republic and the government of the People's Republic of China on civil aviation;

an agreement on cooperation and mutual assistance between the state customs inspectorate under the government of the Kyrgyz Republic and the main customs department of the People's Republic of China;

an agreement on scientific and technical cooperation in meteorology between the state agency for hydrometeorology under the government of the Kyrgyz Republic and the meteorological department of the People's Republic of China;

an agreement on cooperation between the National Bank of the Kyrgyz Republic and the People's Bank of China, the PRC;

letters granting three million yuan of free financial assistance from the People's Republic of China to the Kyrgyz Republic.

**Tajikistan**

**Tajikistan: Radio: Rakhmanov Spreads 'Propaganda' in Khoatlon Region**

*LD0307170396 (Clandestine) Voice of Free Tajikistan in Tajik 0600 GMT 3 Jul 96*

[FBIS Translated Text] The president [Emomali Rakhmanov] of Tajikistan has arrived in Khoatlon region with a delegation consisting of the leaders of 10 ministries. It is the second visit by the regime's president to the region in the last month. Our correspondent says that Rakhmanov is filling the people of this area, particularly, former soldiers of the Popular Front, with propaganda about the war against the opposition in Tavil-Dara during meetings and talks in Kulyab and Khovaling.

A source close to Tajikistan's Ministry of Defense told a Voice of Free Tajikistan correspondent in Dushanbe that Rakhmanov was wearing military uniform when entering Khovaling district and declared that he was personally ready to enter the battlefields at the head of the so-called national army.

Informed sources say that in 1994 Rakhmanov used to lead servicemen and members of the so-called Popular Front, backed by the regiment of the Russian Army stationed in Kulyab, through the Karanak pass to Tavil-Dara in this way. Today the regime is using its last efforts to fulfill the promise it gave to Russia to take Tavil-Dara district from under the control of the Tajik mujahedin.

**Tajikistan: Rakhmanov Visits Kulyab, Tours Hospital**

*LD0407162796 Dushanbe Radio Tajikistan Network in Tajik 0800 GMT 4 Jul 96*

[FBIS Translated Excerpt] As was reported, President Emomali Rakhmanov has been to Kulyab on a working visit. After a short meeting with regional heads, he visited the central hospital of Kuybyshev district in the village of Dehqala.

As is known, typhoid has spread in the Kulyab area and many families in Kulyab have been infected by this disease. At present, 34 adults and 60 children with typhoid are being treated here.

Rakhmanov visited people infected with this serious disease who are being treated at the regional children's hospital and health centres of the Kulyab. [passage omitted]

Rakhmanov instructed healthcare workers to take care of patients and provide the necessary conditions for them.

The Tajik Government has allotted 61 million Tajik rubles to combat typhoid.

The same day the president visited the mausoleum of the well-known scholar Said Ali Hamadoni and looked at the work being carried out to build the central hospital of Kulyab, which will accommodate 750 patients. The head of state asked the builders to pay serious attention to the quality of the building.

A meeting of activists from the area took place in Kulyab yesterday afternoon and Rakhmanov made a speech. The president returned to Dushanbe yesterday evening. He was met by Safarali Rajabov, chairman of the Supreme Assembly, Prime Minister Yahyo Azimov, and other officials at Dushanbe airport.

**Tajikistan: Defense Ministry Condemns BBC, Russian Bottle Reports**

*LD0407160796 Dushanbe Radio Tajikistan Network in Uzbek 1300 GMT 4 Jul 96*

[FBIS Translated Text] A denial by the Defense Ministry of the republic:

The media of near and far away countries have been reporting lately about the situation in Tajikistan. For example, the author of the article, "Heavy Clashes in Tavil-Dara", which was published in the Russian newspaper NEZAVISIMAYA GAZETA on 26 June, Oleg Panfilov, writes that as a result of a military operation in Sagirdasht, the government forces lost some military equipment and dozens of officers and men. As a result of air bombardment, two inhabitants were killed, he writes.

It should be clear to the expert on Tajikistan, Oleg Panfilov, that Sagirdasht has always been in the hands of the government forces and is still under their control. There are no combat operations there. There cannot even be any suggestion of bombardment of that locality. That is why it is impossible to speak of losses.

Quoting the Tajik opposition press center in Tehran, the BBC reported on 27 June 1996 that government forces had used a chemical weapon in Tavil-Dara. That BBC report says that during recent clashes in Tavil-Dara, 31 people from the government forces were killed and two servicemen were taken hostage.

The press center of the Defense Ministry is authorized to state that the aforementioned reports are absolutely far from reality and are aimed at ruining the next round of Tajik peace talks and at deflecting the social and political situation in the republic from its proper path.

**Tajikistan: Russian Gen Says Opposition Poised for 'Major Offensive'**

*LD0607112596 Moscow INTERFAX in English 1116 GMT 6 Jul 96*

[FBIS Transcribed Text] DUSHANBE, July 6 (Interfax) — The Tajik opposition, based across the border in Afghanistan, is getting ready for a major offensive toward the Gorno-Badakhshan region, Gen. Pavel Tarasenko, commander of Russian border troops in Tajikistan has reported in an exclusive interview with Interfax.

He claims that on the Pyanj river bank across lake Sheva, there are up to 500 armed Tajik militants. Yet another group of up to 400 rebels is based around the Payi-Mazar and Gizev villages in Afghanistan.

"The opposition units are armed with guns, grenade throwers, cannons, and anti-aircraft Stinger weapons," Tarasenko said.

Rebels have been trying to cross the border by small groups virtually every day, general said, adding that "their task is to infiltrate under the guise of ordinary civilians into Tavil-Dara to help their buddies there."

For more than a month now, this Pamir mountain area has been the site of intensive fighting between Tajik regular troops and opposition units.

Given the complex situation in Gorno-Badakhshan, more Russian troops have been posted there and also at mountain heights in Khorog, a Badakhshan center where a Russian border unit is based. Such vigilance has irritated the local rebels, general said.

As the local authorities turn a blind eye to what is going on, rebels have been trying hard to keep Russians from reinforcing the Tajik-Afghan frontier. For that, "they have been stopping our trucks or have been trying to provoke us" general said, adding that such incidents have been increasingly common.

The militants main base, according to Tarasenko, is at the Badakhshan village of Vanch. It is led by field commander Salamsho, an active supporter of the Tajik opposition. "He and his people prefer not to strain relations with us," commander said, stressing that regardless of how the situation in Badakhshan develops, Russian border guards are well equipped and are strong enough to repulse any provocation on the Tajik-Afghan border.

**Tajikistan: Border Troops Will 'Cut Short'  
Provocations**

LD0407143396 Moscow ITAR-TASS in English  
1330 GMT 4 Jul 96

[By Vladimir Suprun]

[FBIS Transcribed Text] MOSCOW, July 4 (Itar-Tass) — All attempts made by armed groups to break through into Tajikistan will be resolutely cut short by Russia's federal border guard service which will use all forces and facilities available, said spokesman for the Russian Foreign Ministry Grigoriy Karasin today in connection with the aggravation of the situation on the Tajik-Afghan border.

Referring to information provided by the Federal Border Guard Service, the spokesman said that recently, groups of militants of the Tajik opposition supported by some Afghan armed formations had attempted to break through into Tajikistan across the Tajik-Afghan border. Militants of the Movement for Islamic Revival of Tajikistan were reported to have concentrated in a number of Afghan border areas.

Karasin pointed out that the defence of the Tajik-Afghan border was ensured by Russian border guard troops jointly with Tajik border guards and border guards of a number of CIS countries. "Under conditions when the situation on the border was worsening these forces will take the necessary measures to maintain order on the border," Karasin stressed.

In this connection, the Russian diplomat called on leaders of the Movement for the Islamic Revival of Tajikistan to show wisdom and restraint and refrain from the escalation of hostilities, which in the opinion of the Russian diplomat, was especially important on the eve of another round of the inter-Tajik talks to be held in Ashgabat under the UN auspices.

Karasin pointed out that the Russian side expects Afghan leaders to take all the necessary measures to prevent the Afghan territory from being used for illegal activities on the Tajik-Afghan border.

**Tajikistan: Russian Border Troops To Use All  
Means Against Rebels**

LD0507143796 Moscow INTERFAX in English  
1400 GMT 5 Jul 96

[FBIS Transcribed Text] MOSCOW, July 5 (Interfax) — Over 1,700 rebels of the Tajik opposition are concentrated in Afghanistan near the Tajik border, prepared for a breakthrough into Tajikistan in three directions, Aleksey Kozhevnikov, deputy head of the Russian Federal Border Service, told a news conference in Moscow Friday.

He said about 450 rebels may soon try to break through the border near Khorog. Over 600 rebels are concentrated on the border with Taishet and 300 rebels are deployed near Kalai-Khumb.

Over 250 rebels are prepared to carry out diversionary actions on the Tajik-Afghan border, in particular near Shuroabad, said Kozhevnikov.

He said the situation may aggravate before July 8, when talks between the Tajik government and the opposition are set to resume in Ashgabat. "The rebels will try to prevent the talks from concluding in peace agreements," said Kozhevnikov.

"Border troop units on the Tajik-Afghan border are prepared to take adequate measures with the use of all forces and means in case of provocations on the part of the rebels. In that event all the responsibility for possible consequences will lie with those who give orders to break through the border," he said. Since the beginning of 1996, Russian border guards have prevented over 40 attempts to break through the border and confiscated seven missile launchers, 24 heavy machine guns, 24 grenade launchers, 182 shotguns, 20 mines and 124 boxes with ammunition, said Kozhevnikov.

Over the same period border guards confiscated 1,200 kilograms of drug substances which rebels tried to smuggle from Afghanistan to Tajikistan.

**Tajikistan: Government Troops Free Tavil-Dara  
From Opposition Control**

LD0507110696 Moscow INTERFAX in English  
1032 GMT 5 Jul 96

[FBIS Transcribed Text] DUSHANBE, July 5 (Interfax) — Tajik government troops have freed the Tavil-Dara regional center, 200 kilometers east of Dushanbe, from opposition units. Skirmishes continue in the area, spokesman for Tajik President Zafar Saidov told Interfax Friday.

The government troops forced the rebels away on July 1 and arranged their positions 2-3 kilometers east of Tavil-Dara. The rebels have their positions on the right bank of the Obikhingou River.

The strategically important towns of Chil-Dara, 30 kilometers northwest of Tavildara, Kalai-Hussein [place-name as received] and Chorumi-Boro, 18-20 kilometers south of Tavildara, were freed on July 2, said Saidov.

"Practically all the area between Sagirdasht, 12 kilometers northeast of Tavil-Dara, and Kalai-Hussein is under control of the government troops," noted the spokesman.

At the same time, Labidzhar, a town 28 kilometers north of Tavil-Dara, "which has a strategically important



bridge is so far controlled by the opposition units," said Saidov.

Both sides suffered combat losses, the number of killed, wounded, captured and missing in action is being specified.

**Tajikistan: Tavil-Dara 'Still Under Control' of Opposition Forces**

*LD0607133796 Tehran IRNA in English  
1104 GMT 6 Jul 96*

[FBIS Transcribed Text] Tehran, July 6, IRNA — The vice-president of the Islamic Movement of Tajikistan Akbar Turejonzoda, said on Saturday [6 July] that the strategic city of Tavil-Dara is still under control of opposition forces.

Speaking to IRNA, Turejonzoda termed as baseless the claim made by the Tajik Government that the city had been recaptured by government troops.

Zafar Saidov, a spokesman for the Tajik president, said on Friday that the government forces had recaptured Tavil-Dara.

Tavil-Dara, 200 km east of Tajik capital of Dushanbe, fell to the opposition forces following a fierce and bloody battle on May 12, 1996, with government troops.

He said that the government forces did their best to seize the city again but of no avail and then had to retreat. Some 700 government troops were killed and 513 others captured in the battle, added Turejonzoda.

Stressing the need for peace, Turejonzoda said that armed conflict is not a meaningful solution to the problem in Tajikistan.

He added that the opposition believe in peace and despite the clashes they will participate in the Ashgabat session.

Representatives of the Tajik Government and opposition are to meet in Ashgabat on July 8 to discuss ways of reaching an agreement to establish cease-fire and restore peace to the country.

**Tajikistan: Rebels, Government Troops Clash in Komsomolsk Region**

*LD0807081396 Moscow ITAR-TASS in English  
0600 GMT 8 Jul 96*

[FBIS Transcribed Text] DUSHANBE July 8 (Itar-Tass) — 16 Tajik opposition militants were reportedly killed in a clash with government troops in the mountain Komsomolsk region of Tajikistan, 120-130 kilometres east of Dushanbe, Tass learned from informed sources in the Tajik capital on Monday.

They said the clash occurred on Saturday and one Tajik government soldier was killed and another one wounded in it.

The clash took place after an opposition unit attacked an armoured personnel carrier of the government forces in the mountain region, but reinforcements were fast to come to help, according to the sources.

No other details were available.

A spokesman of the Tajik Interior ministry did not confirm or deny the report.

**Tajikistan: Tajik Peace Talks Resume in Ashgabat**

*LD0807115496 Dushanbe Radio Tajikistan Network  
in Russian 1000 GMT 8 Jul 96*

[FBIS Translated Text] The Tajik peace talks resumed in Ashgabat today. The agenda of the talks has not yet been set but the stand of the government delegation is known, that is, that the armed opposition groups must leave Tavil Dara district and take up the positions they held last December.

**Tajikistan: President Hopes New Talks With Rebels Will Yield Results**

*LD0507130196 Moscow INTERFAX in English  
1215 GMT 5 Jul 96*

[FBIS Transcribed Text] DUSHANBE, July 5 (Interfax) — The fifth round of talks between the Tajik government and opposition to start in Ashgabat, Turkmenistan, on July 8 "must culminate in specific agreements and bring the conflict to an end," Tajik President Emomali Rakhmanov told the government negotiators before their departure for talks.

His press secretary Zafar Saydov told journalists that the government wants the talks to be brought to conclusion shortly because fruitless talks "do not serve the basis interests of Tajikistan's peoples."

Rakhmanov believes that a ceasefire agreement must be signed as a first priority and never violated as long as the talks proceed.

He expressed his willingness to meet with opposition leader Sayid Abdullo Nuri in Moscow and sign with him an agreement on complete ceasefire for the duration of the talks.

Saydov said that the governmental negotiators are prepared "to make compromises and concessions that are not incompatible with the Tajik Constitution."

"The government will insist that all prisoners of war be exchanged," he said.

The Dushanbe government also suggests convening an advisory forum of Tajikistan's peoples in which the opposition would be directly represented.

Rakhmanov also emphasized that a military agreement could be "possible and effective" when opposition units leave the Tavil-Dara area and return to the positions agreed on last December.

### Turkmenistan

#### Turkmenistan: Foreign Minister Upbeat on Yeltsin Victory

LD0407180896 Moscow INTERFAX in English  
1432 GMT 4 Jul 96

[FBIS Transcribed Text] ASHGABAT, July 4 (Interfax) — Ashgabat is positive about the presidential election results in Russia, Turkmen Deputy Prime Minister, Foreign Minister Boris Shikhmuradov told Interfax Thursday.

"Turkmen President Saparmurad Niyazov expressed Turkmenistan's attitude to the Russian presidential elections at the latest CIS summit," Shikhmuradov said. The summit, which was held in Moscow on May 17, had unanimously supported Boris Yeltsin's re-election as Russian president.

"As for the second round results, Turkmenistan proceeds from the strategic partnership built over the last four years and successfully developed by Yeltsin's team, and see good prospects for a further dialogue and joint work," Shikhmuradov said.

"The high level of relations which has emerged between Saparmurad Niyazov and Boris Yeltsin is a pledge of a dynamic development of cooperation," he stated.

#### Turkmenistan: Economic Cooperation Discussed With Armenia, Iran

LD0307192596 Moscow INTERFAX in English  
1422 GMT 3 Jul 96

[FBIS Transcribed Text] ASHGABAT, July 3 (Interfax) — Trade and economic cooperation between Armenia, Iran and Turkmenistan was the center of attention at Wednesday's fifth meeting between the foreign ministries of the three countries.

On Wednesday the sides were set to sign a joint commission agreement. Armenian Foreign Minister Vahan Paparyan proposed the future commission should not be limited just to issues of trade and economic cooperation but should operate "like a ministers' working group."

Projects drawn up by the three over the last year include the creation of a joint transport company, a joint

commission on trade and economic cooperation and the development of a system of mutual settlements.

Iranian Foreign Minister 'Ali Akbar Velayati told the other ministers that President Saparmurad Niyazov of Turkmenistan had expressed approval for broadening cooperation and involving other members of the Commonwealth of Independent States and other countries in their plans. Niyazov had also proposed the ceiling on goods sales between the three countries be raised to \$20 million. Earlier meetings have seen the signing of a number of interbank agreements and approval of a resolution to set a limit of \$10 million on mutual goods and services supplies.

#### Turkmenistan: Niyazov, Iran's Velayati Discuss Oil Cooperation

LD0307193696 Tehran Voice of the Islamic Republic of Iran First Program Network in Persian  
1630 GMT 3 Jul 96

[FBIS Translated Excerpt] Foreign Minister ('Ali Akbar) Velayati, visiting Ashgabat for the tripartite talks between Iran, Turkmenistan, and Armenia, met with Turkmen President Saparmurad Niyazov today and handed him a message from President Hashemi-Rafsanjani. Here is our colleague with a report from Ashgabat:

[Correspondent] At their meeting, the Turkmen president suggested that joint oil cooperation in the Caspian Sea — with the participation of Iran, Turkmenistan, Russia, and some oil companies which have recently shown their willingness for active cooperation in this field — be expanded.

Mr. Velayati spoke about Iran's peaceful efforts in the region, saying: The Islamic Republic of Iran's efforts in Afghanistan to help establish peace and tranquillity in that country have borne positive results. With the signing of an agreement in Kabul by Messrs Rabbani and Hekmatyar, we hope to see the return of peace and stability to Afghanistan in the near future.

Continuing, Mr. Velayati referred to the situation in Tajikistan and expressed the hope that the Tajik government and its opponents resume their negotiation in the near future to reach a settlement. [passage omitted]

#### Turkmenistan: Iran's Velayati on 'Positive' Talks With Niyazov

LD0307204196 Tehran IRNA in English  
1842 GMT 3 Jul 96

[FBIS Transcribed Text] Ashgabat, July 3, IRNA — The foreign ministers of Iran, Turkmenistan and Armenia started their fifth trilateral meeting here on Wednesday.

day. An agreement on tripartite cooperation is to be inked at the end of the meeting by Iran's 'Ali Akbar Velayati, Turkmenistan's Boris Shikhrudov and Armenia's Vahan Papazyan. Velayati in his address termed his talks earlier here today with Turkmen President Saparmurad Niyazov as 'positive', and said that the talks centred on Tehran-Ashgabat-Yerevan trade exchanges which would be raised to a ceiling of dlr. 20 million.

According to him Niyazov was glad to see the strengthening of trilateral cooperation between Iran, Turkmenistan and a third country, and said that such cooperation should be expanded to include other former Soviet states.

Iran and Turkmenistan which share a long border line, last May inaugurated a vital rail link designed to connect landlocked Central Asian states with the outside world via Iran's Persian Gulf ports.

The 295-km Mashhad-Tedzhen track which passes through the border city of Sarakhs, connects the Eurasian railway network to that of Iran, which in turn is linked by rail to Pakistan on the east and Turkey on the west.

In today's trilateral meeting, Armenian Foreign Minister Papazyan said that the inauguration of the Mashhad-Sarakhs-Tedzhen railway project has forged a vital link in the three countries' trilateral cooperation. The trilateral meeting will end its work tomorrow.

Earlier today, the joint experts committee of the three countries started its preliminary work with an inaugural speech by the Turkmen president.

**Turkmenistan: Iranian-Turkmen-Armenian Memorandum on Cooperation Signed**

LD0407174496 Moscow ITAR-TASS in English  
1403 GMT 4 Jul 96

[By Anna Kurbanova]

[FBIS Transcribed Text] Ashgabat, July 4 (Itar-Tass) - The foreign ministers of Turkmenistan, Armenia and Iran — Boris Shikhrudov, Vagan Papazyan and 'Ali Akbar Velayati — signed a memorandum on trade and economic cooperation in Ashgabat on Thursday.

Trade turnover among the three countries — the bulk of which is clearing transactions involving mostly Turkmen gas supplies to Armenia — is expected to reach 20 million U.S. dollars this year.

During the meeting, the ministers discussed the establishment of the joint Turkmen-Armenian-Iranian economic commission and the procedure for inter-bank mutual accounts.

**Turkmenistan: Armenia-Iran-Turkmenistan Foreign Minister Meeting Ends**

NC0507124896 Yerevan SNARK in English  
0913 GMT 5 Jul 96

[FBIS Transcribed Text] Yerevan, July 5 (SNARK)— Foreign Ministers of Armenia, Turkmenistan and Iran met together in Ashgabat on July 2-4.

The Press Office of the Armenian Foreign Ministry informed SNARK the meeting resulted in the signing of a set of documents on tripartite cooperation in the fields of trade, transportation, bank and energy. A joint commission was formed to study opportunities for expanding cooperation.

Armenia's Minister Vahan Papazyan had separate meetings with Turkmen President Saparmurad Niyazov and Iranian Foreign Minister 'Ali Akbar Velayati.

Issues of Armeno-Turkmen bilateral cooperation as well as political problems in the Caucasus, Central Asia and Near East were discussed by the Armenian Minister and Turkmen President.

Vahan Papazyan and his Iranian counterpart exchanged views on Armeno-Turkmen-Iranian cooperation and opportunities for developing multilateral cooperation of Armenia and Iran with other countries.

Next meeting of the Armenian, Turkmen and Iranian ministers of foreign affairs will take place in Yerevan. The time will be specified accordingly.

**Turkmenistan: President Abolishes Oil Ministry**

LD0207175196 Moscow INTERFAX in English  
1516 GMT 2 Jul 96

[From the "Presidential Bulletin" feature]

[FBIS Transcribed Text] President Saparmurad Niyazov at a full cabinet meeting on Tuesday announced abolishing the country's oil and gas ministry. Niyazov said the existing system of exploration, prospecting and maintenance of the oil and gas fields has become a constraining factor, Niyazov's press office told Interfax.

To redress the situation, the president ordered to set up a ministry of oil and gas industry and mineral resources vested with functions of state management on rational use of resources, analysis and preparations of plans for mining development and an increase in oil output and oil refining.

Three new concerns and two new corporations, all of them state-run, are to be set up on the basis of the former oil and gas ministry. New structures are to be granted the status of ministries, with ministers and their deputies to be appointed by the president himself.



Among the newly-set up structures is state-owned Turkmenneftegaz company which will handle the production and processing of gas, leasing settlements for gas as well as foreign trade contacts. 48-year-old Kodzhamukhamed Orazov, head of Turkmenrosgaz, a Russian-Turkmen venture, was put in charge of the new structure.

Under a presidential decree, Turkmenneftegaz is accountable to Niyazov for oil production and gas processing, foreign trade contracts and oil exports, commodity imports as part of clearing settlements for energy exports.

**IF NOTE:** Turkmenistan whose gas output ran at 32.3 billion cubic meters in 1994 comes second to Russia among gas producers of the former Soviet Union. However, its gas production has sharply dropped since 1992 when it produced 80 billion cubic meters of natural gas. The setback is caused by falling demand from other CIS states which are unable to afford energy imports because of shortage of funds.

In one other resolution, Niyazov has given oil consumers a month in which to draw up sectoral programs for a 20 percent cut in fuel consumption this year and a further 10 percent in 1997.

### **Uzbekistan**

#### **Uzbekistan: Karimov Pleased With Russian Election Results**

*LD0507134396 Moscow INTERFAX in English  
1227 GMT 5 Jul 96*

[FBIS Transcribed Text] TASHKENT, July 5 (Interfax) — Uzbek President Islam Karimov said he was pleased with the results of the Russian presidential elections.

"President Boris Yeltsin's re-election shows again that democratic reforms are irreversible in Russia," he told foreign diplomats and journalists in Tashkent Friday.

"The people of Russia have rejected the command system and the dogmas which dominated them for decades," Karimov said.

The choice made by the Russian people is an act of goodwill towards all Commonwealth of Independent States member-nations, he believes.

#### **Uzbekistan: Karimov on Accord With EU, 'Successful' Visit to U.S.**

*LD0507153596 Moscow INTERFAX in English  
1519 GMT 5 Jul 96*

[FBIS Transcribed Text] TASHKENT, July 5 (Interfax) — Besides aiming at equal partnership with Commonwealth of Independent States member countries, Uzbekistan also aims at becoming a fully fledged member of

the international community, Uzbek President Islam Karimov said at a meeting with representatives of foreign diplomatic missions accredited in the country and journalists in Tashkent on Friday [5 July].

To this effect, he praised the agreement on partnership and cooperation between Uzbekistan and the European Union signed in Italy.

This agreement will bring relations between Uzbekistan and EU member countries onto a new level, Karimov said.

Karimov said he considered his recent trip to the United States "rather successful and fruitful." He said he was satisfied with his meeting with U.S. President Bill Clinton, adding that "the U.S. administration will help Uzbekistan to strengthen links with the West and support the country's independent way of development."

With regard to his meeting with U.S. Defense Secretary William Perry, Karimov said the agreement on military-technological cooperation concluded in the Pentagon was aimed at strengthening stability in Central Asia taking into account the war in Afghanistan and the situation in Tajikistan.

The U.S. administration supported Uzbekistan's initiative to impose an embargo on arms supplies to Afghanistan and consider this issue in the U.N. Security Council, he said.

Uzbek-U.S. military-technological cooperation "is on the rise and will continue," Karimov said.

U.S. and Uzbek interests converge not only in Central Asia, Karimov said, adding that Uzbekistan always supported all of the United States' international initiatives.

Uzbekistan and NATO also successfully cooperate within the scope of the Partnership for Peace program, the Uzbek president said.

#### **Uzbekistan: Four Cooperation Agreements Signed With China**

*LD0307131396 Moscow INTERFAX in English  
1241 GMT 3 Jul 96*

[FBIS Transcribed Text] TASHKENT, July 3 (Interfax) — Uzbekistan and China signed four new cooperation agreements in the course of the visit of Chinese leader Jiang Zemin to the Uzbek capital Tashkent, Chinese Foreign Ministry press secretary Sheng Guofang said at a news conference in Tashkent.

In addition to the 30 agreements signed earlier, the two sides have signed a joint declaration on cooperation, a protocol on exchange of ratification instruments and

agreements on avoiding dual taxation and on cooperation in railroad transportation.

Sheng said that the solution of transportation problems will enable China to step up trade with other Central Asian republics as well as Uzbekistan.

"Both China and Uzbekistan want stability and calm in Central Asia and mutually beneficial and equal cooperation," he said.

"I believe that Chairman Jiang Zemin's visit to Uzbekistan has brought the relations between the two countries to new heights," Sheng said.

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